

File No. 250142

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee Date February 26, 2025

Board of Supervisors Meeting Date _____

Cmte Board

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 - Draft PASS Series A Deferred Promissory Note
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Completed by: Brent Jalipa Date February 20, 2025

Completed by: Brent Jalipa Date _____

1 [Loan Agreement - Normandy Ellis, LP - Small Sites Program - 1135, 1155 and 1175 Ellis
2 Street - Not to Exceed \$50,600,000]

3 **Resolution approving and authorizing the Director of the Mayor's Office of Housing and**
4 **Community Development ("MOHCD") to execute loan documents for the permanent**
5 **financing of 1135, 1155 and 1175 Ellis Street pursuant to the Small Sites Program and**
6 **the Preservation and Seismic Safety Program, for a total loan amount not to exceed**
7 **\$50,600,000; confirming the Planning Department's determination under the California**
8 **Environmental Quality Act; finding that the loan is consistent with the General Plan,**
9 **and the eight priority policies of Planning Code, Section 101.1; and authorizing the**
10 **Director of MOHCD or their designee to make certain modifications to the loan**
11 **documents, and take certain actions in furtherance of this Resolution, as defined**
12 **herein.**

13
14 WHEREAS, The City and County of San Francisco, through the Mayor's Office of
15 Housing and Community Development ("MOHCD"), is a leader in the creation and
16 preservation of affordable housing, offering a variety of loan and grant programs to
17 community-based organizations and housing developers to create and maintain affordable
18 housing and provide essential community and supportive services; and

19 WHEREAS, The funding for these loans and grants comes from a variety of sources,
20 all of which are restricted to affordable housing and are subject to various housing program
21 restrictions; and

22 WHEREAS, Among its programs, MOHCD administers the Small Sites Program (or
23 "SSP") for the purpose of preserving and stabilizing San Francisco's existing rental housing
24 stock of buildings, and converting those properties to permanently affordable housing; and
25

1 WHEREAS, MOHCD also administers the Preservation and Seismic Safety Program
2 (“PASS Program”), which provides low-cost and long-term financing for the acquisition,
3 rehabilitation, and preservation of multi-family housing as well as seismic retrofits. The Small
4 Sites Program and the PASS Program play critical roles in advancing the City’s anti-eviction
5 and preservation strategies by providing access to flexible sources of financing not currently
6 available on the conventional market; and

7 WHEREAS, Tenderloin Neighborhood Development Corporation (“TNDC”) is a
8 nonprofit affordable housing developer that applied and was selected to receive SSP and
9 PASS Program funding under MOHCD’s Notice of Funding Availability published on
10 September 13, 2019, a TNDC controlled limited liability corporation, 1155 Ellis GP LLC
11 (“Borrower”), will acquire property located at 1135, 1155 and 1175 Ellis Street in San
12 Francisco’s Western Addition neighborhood that is improved with a 108-unit building,
13 including 78 studio units and 30 one-bedroom units (the “Project”); and

14 WHEREAS, Borrower has requested, and MOHCD desires to loan, up to \$28,757,872
15 in SSP funds and up to \$21,842,128 in new PASS Program funds for acquisition of the Project
16 for a total loan amount of up to \$50,600,000, which will add 108 units of permanently
17 affordable housing to San Francisco’s housing stock; and

18 WHEREAS, On November 1, 2024, the Citywide Affordable Housing Loan Committee,
19 consisting of representatives of MOHCD, the Department of Homelessness and Supportive
20 Housing, the Office of Community Investment and Infrastructure, and the Controller’s Office of
21 Public Finance recommended approval to the Mayor of a permanent loan for the Project in an
22 amount not to exceed \$50,600,000; and

23 WHEREAS, The form of loan documents (the “Loan Documents”) evidencing and
24 securing the SSP Program loan for the Project are on file with the Clerk of the Board in File
25 No. 250142, and include: a Declaration of Restrictions restricting the Project to affordable

1 housing; a Loan Agreement; a City Option to Purchase; Promissory Notes; and Deeds of
2 Trust; and

3 WHEREAS, A Declaration of Restrictions will restrict the Project as affordable housing
4 to low- and moderate-income households with annual maximum rent and income established
5 by MOHCD as long as all or any portion of the building remains on the property, but in no
6 event less than 99 years; and

7 WHEREAS, The Declaration of Restrictions for the Project will not be subordinated to
8 any third party financing instrument; and

9 WHEREAS, The Planning Department, by letter dated January 27, 2025, determined
10 that the proposed Project loan is not defined as a project under the California Environmental
11 Quality Act ("CEQA") [Pub. Resources Code, Section 21000 et seq.] pursuant to CEQA
12 Guidelines Sections 15301 and Chapter 31 of the City's Administrative Code, because it
13 would not result in a direct or indirect physical change in the environment, and is consistent,
14 on balance, with the General Plan, and the eight priority policies of Planning Code,
15 Section 101.1, which letter is on file with the Clerk of the Board of Supervisors in File
16 No. 250142, and incorporated herein by this reference; now, therefore, be it

17 RESOLVED, This Board affirms the Planning Department's determination under CEQA
18 and finds that the proposed Project loan is consistent, on balance, with the General Plan, and
19 the eight priority policies of Planning Code, Section 101.1 for the reasons set forth in the
20 Planning Department's letter; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors hereby approves the Loan
22 Documents, and authorizes the Mayor and the Director of MOHCD or the Director's designee
23 to negotiate and enter into agreements based upon and substantially in the form of the Loan
24 Documents for the Project (including, without limitation, modifications of the Loan Documents,
25 and preparation and attachment of, or changes to, any of all of the exhibits and ancillary

1 agreements) and any other documents or instruments necessary in connection therewith, that
2 the Director determines, in consultation with the City Attorney, are in the best interest of the
3 City, do not materially increase the obligations or liabilities for the City or materially diminish
4 the benefits of the City, are necessary or advisable to effectuate the purposes and intent of
5 this Resolution and are in compliance with all applicable laws, including the City Charter; and,
6 be it

7 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes and
8 delegates to the Director of MOHCD and/or the Director of Property, and their designees, the
9 authority to undertake any actions necessary to protect the City's financial security in the
10 Project and enforce the affordable housing restrictions, which may include, without limitation,
11 acquisition of a Project site upon foreclosure and sale at a trustee sale, acceptance of a deed
12 in lieu of foreclosure, or curing the default under a senior loan; and, be it

13 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and
14 heretofore taken are hereby ratified, approved and confirmed by this Board of Supervisors;
15 and be it

16 FURTHER RESOLVED, That within thirty (30) days of the Loan Documents being fully
17 executed by all parties, MOHCD shall provide the Loan Agreement to the Clerk of the Board
18 for inclusion into the official file.
19
20

21 RECOMMENDED:

22 /s/ Daniel Adams

23 Daniel Adams

24 Director, Mayor's Office of Housing and Community Development
25

Item 1 File 25-0142	Department: Mayor's Office of Housing and Community Development (MOHCD)
EXECUTIVE SUMMARY	
Legislative Objectives - The proposed resolution would approve a loan in an amount not to exceed \$50,600,000 from the Mayor's Office of Housing and Community Development (MOHCD) to Tenderloin Neighborhood Development Corporation (TNDC) for the acquisition and rehabilitation of the Normandy Apartments at 1135, 1155, and 1175 Ellis Street. Key Points - The Normandy Apartments, located at 1135, 1155, and 1175 Ellis Street, is a three-story, 70,000-square foot building constructed in 1968 with 108 residential units and five small office suites. The 108 units include 78 studios and 30 one-bedroom units. As of November 2024, the residential units were approximately 90 percent occupied. Of the five office suites, two were used for property management offices and storage, one was leased to a commercial tenant, and two were vacant. - Because the project scored less than 70 points under the Small Sites Program scoring criteria, it was subject to further review by the MOHCD Director. The MOHCD Director approved the project given the relatively low acquisition cost per unit and the location of the site in District 2, which does not have many opportunities for affordable housing sites. - TNDC acquired the building on January 31, 2025 with a short-term loan from the Housing Accelerator Fund. The proposed loan would take out the HAF acquisition loan and provide \$11.9 million to rehabilitate the building. The rehabilitation scope includes extension of fire sprinkler systems into residential units and common spaces, electrical upgrades, asbestos remediation related to fire sprinkler and electrical upgrades, Americans with Disabilities Act (ADA) upgrades to 14 units, and other fire safety improvements and repairs. Fiscal Impact - The City will provide up to \$50.6 million to TNDC for the project, including Small Sites funding of up to \$28,757,872 and Preservation and Seismic Safety (PASS) loans of up to \$21,842,128. The PASS loans are funded by two PASS General Obligation Bond series (Series 2019A and Series 2020C). The Small Sites funding is from Community Development Block Grant funding, 2019 General Obligation Bonds, 2024 General Obligation Bonds, the Housing Trust Fund, the Housing Stability Fund, and the Affordable Housing Fund. - The loan amount of \$50.6 million is equal to \$468,519 per unit, including PASS funding of \$202,242 per unit and Small Sites funding of \$226,277 per unit. The Small Sites funding is approximately 38 percent less than the maximum permitted under program guidelines. Recommendation - Approve the proposed resolution.	

MANDATE STATEMENT

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

BACKGROUND**Small Sites Program**

The Small Sites Program (SSP), administered by the Mayor's Office of Housing and Community Development (MOHCD), was created in 2014 to provide loans for acquiring and rehabilitating multi-family rental buildings of five to 25 units. The Program has issued two Notices of Funding Availability (NOFA), one in 2014 and an updated one in 2019. MOHCD issued updated guidelines in September 2022. The new guidelines prioritize sites that have between five and 40 units but allow funding for larger sites. Applications for Small Site funding are scored based on housing affordability (35 possible points), community stabilization (35 possible points) and geographic equity (30 possible points). The proposed project, sponsored by Tenderloin Neighborhood Development Corporation (TNDC), achieved a score of 61 points. Because the project scored less than 70 points, it was subject to further review by the MOHCD Director. According to MOHCD staff, the MOHCD Director approved the project because of the relatively low acquisition cost per unit and the location of the site in District 2, which does not have many opportunities for affordable housing sites.

PASS Loan Financing

In addition to Small Sites Program loans, some Small Sites projects also receive loans through the Preservation and Seismic Safety (PASS) program. The PASS program was authorized by voters in 2016 and provides low-cost financing to fund the acquisition and preservation of affordable housing and seismic retrofits to existing buildings. The program is funded by \$260.7 million in general obligation bonds, including \$156.0 million for market-rate loans and \$104.7 million for below-market rate interest or deferred interest loans. Unlike other MOHCD permanent loans for affordable housing which are structured as soft debt and repaid through residual receipts, PASS program loans are structured as hard debt, which means they must be repaid every month for the duration of the lending period.

Normandy Apartments

The Normandy Apartments, located at 1135, 1155, and 1175 Ellis Street, is a three-story, 70,000-square foot building constructed in 1968 with 108 residential units and five small office suites. The 108 units include 78 studios and 30 one-bedroom units. As of November 2024, the residential units were approximately 90 percent occupied. Of the five office suites, two were used for property management offices and storage, one was leased to a commercial tenant, and two were vacant. TNDC believes that the suites are not easily marketable and may possibly be unpermitted, so only the leased unit was used in the cashflow modeling. The building also includes 120 parking spaces, of which 59 were leased to tenants, 49 were leased to non-residents, and 12 were vacant.

TNDC became aware of the site in August 2024 when the building was listed for sale through the Community Opportunity to Purchase Act (COPA), which requires multifamily residential building owners to notify certain nonprofits and provide them with the right of first refusal when listing their properties for sale. TNDC acquired the building on January 31, 2025 with a short-term loan from the Housing Accelerator Fund. The proposed loan would take out the HAF acquisition loan and fund the rehabilitation of the Normandy Apartments.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would: (1) authorize the MOHCD Director to execute loan documents for the permanent financing of 1135, 1155, and 1175 Ellis Street pursuant to the SSP and PASS programs, for a total loan amount not to exceed \$50,600,000; (2) confirm the Planning Department's determination under the California Environmental Quality Act (CEQA); (3) find that the loan is consistent with the General Plan and Planning Code; and (4) authorize the MOHCD Director or their designee to modify the loan documents and take certain actions in furtherance of the resolution.

The documents approved as part of this resolution include (1) Loan Agreement between the City and 1155 Ellis GP LLC (an affiliate of TNDC); (2) Declaration of Restrictions for affordable housing; (3) City Option to Purchase; (4) Promissory Notes; and (5) Deeds of Trust.

Loan Agreement and Repayment

The proposed loan agreement provides for a loan amount not to exceed \$50.6 million, including an SSP loan of up to \$28,757,872 and a PASS loan of up to \$21,842,128. The PASS loan is funded by two PASS General Obligation Bond series (Series 2019A and Series 2020C) and includes six components: (1) two market-rate loans; (2) two below market-rate loans; and (3) two deferred loans. MOHCD combines PASS market-rate loans with PASS affordable loans (below market-rate and deferred) to create a blended interest rate and maximize total bond proceeds available for affordable housing preservation projects. The interest rates and repayment terms for the loans are provided in Exhibit 1 below based on the terms in seven separate promissory notes (two for each type of PASS loan and one for the SSP loan). There are two notes for each type of PASS loan since the funds were made available via two separate bond issuances, 2019A and 2020C. The loans mature 40 years after the recordings of the deeds of trust.

Exhibit 1: PASS and SSP Loan Summary for Normandy Apartments

Loan	Amount	Annual Interest Rate	Interest Type	Repayment
PASS Market Rate (2019A)	\$933,904	5.17%	Compound	Monthly Payments
PASS Market Rate (2020C)	12,337,122	3.87%	Compound	Monthly Payments
PASS Below Market Rate (2019A)	546,981	1.39%	Compound	Monthly Payments
PASS Below Market Rate (2020C)	6,806,688	0.96%	Compound	Monthly Payments
PASS Deferred (2019A)	103,243	1.39%	Compound	Repaid at Maturity
PASS Deferred (2020C)	1,114,190	0.96%	Compound	Repaid at Maturity
<i>PASS Subtotal</i>	<i>\$21,842,128</i>			
SSP Loan	28,757,872	3.00%	Simple	Annual Payments, equal to 2/3 of Residual Receipts
Total	\$50,600,000			

Source: Master Promissory Notes

Required Rents and Option to Purchase

The Declaration of Restrictions, which covers all loan products, outlines required rents for all units for existing tenants. Rents for units that become vacant will be set so that the combined average rents for all units are as close as possible but no greater than the amount calculated as 30 percent of 80 percent of Area Median Income (AMI). Over 50 percent of units must be occupied by households at or below 80 percent of AMI, and no vacant unit may be filed with a household earning more than 120 percent of AMI. The affordability restrictions would be in place for no less than 99 years.

As of February 2024, TNDC has income certified 57 households out of 91 occupied units according to MOHCD staff. Per the SSP guidelines, because the SSP subsidy is less than \$275,000 per unit, TNDC does not have to complete income certification before obtaining an SSP loan but must complete income certification within the first year of operation. However, to receive Community Development Block Grant funding (one of the proposed SSP loan funding sources), TNDC must certify income at least 51 percent of current tenants by April 15, 2025 to demonstrate compliance with income requirements of the CDBG program. According to MOHCD staff, the project is expected to meet CDBG income requirements.

The Purchase Option Agreement grants the City the option to purchase the property if the owner fails to comply with the affordability restrictions, if the Declaration of Restrictions is terminated, or if the owner receives another offer to purchase the property after the City's loan is repaid. The exercise period of the agreement is 99 years after the recording of the Declaration of Restrictions.

Rehabilitation Scope

The proposed loan funds \$11.9 million of rehabilitation work (including soft costs) that will be undertaken by TNDC and overseen by MOHCD. MOHCD is funding the construction work upfront, rather than partnering with the Housing Accelerator Fund, to reduce interim financing costs. The

resulting savings are partially offset by City procurement and labor requirements that follow with City funding, including prevailing wage and local business enterprise requirements.

The rehabilitation scope includes extension of fire sprinkler systems into residential units and common spaces, electrical panel and wiring upgrades, demolition and hazardous materials remediation for asbestos related to fire sprinkler and electrical upgrades, fire and life safety emergency signage, removal of wood burning fireplaces, potential upgrades and repairs to the plumbing and sewer system, waterproofing and exterior repairs, and modifying 14 units for Americans with Disabilities Act (ADA) compliance, as well as common area modifications as needed. According to the MOHCD loan evaluation memo to the Citywide Affordable Housing Loan Committee, the rehabilitation scope was based on a Physical Needs Assessment.

Under the proposed loan agreement, construction must begin by September 30, 2025 and be completed by December 31, 2026. The project must achieve 100 percent occupancy by June 30, 2027.

FISCAL IMPACT

The proposed loan would provide up to \$50,600,000 to TNDC for the acquisition and rehabilitation of the Normandy Apartments. The sources and uses of funding are shown in Exhibit 2 below.

Exhibit 2: Sources and Uses of Proposed Loan

Sources	Amount
SSP Loan	\$28,757,872
PASS Market-Rate Loans	13,271,026
PASS Below Market-Rate Loans	7,353,669
PASS Deferred Loans	1,217,433
Total Sources	\$50,600,000
Uses	Amount
Acquisition	\$35,800,000
Construction (<i>incl 18% contingency</i>)	9,850,099
Soft Costs (<i>incl 14% contingency</i>)	2,161,576
Reserves	1,603,325
Developer Fee	1,185,000
Total Uses	\$50,600,000

Source: Proposed Loan Agreement

The acquisition cost of \$35.8 million is supported by an appraisal conducted by Mateo Advisors in October 2024. Construction costs include an 18 percent hard cost contingency which includes the standard 15 percent per SSP program guidelines plus an additional three percent as a result of the planned asbestos remediation. Reserves total \$1.6 million and include \$610,201 in

operating reserves, \$236,000 in replacement reserves, and \$757,125 in vacancy reserves.¹ Total costs include \$1,185,000 in developer costs and \$2,161,576 in soft costs, including \$635,200 in relocation costs.²

Small Sites Loan Sources

The proposed Small Sites Program loan is funded by:

- \$12,274,000 from Community Development Block Grant funding
- \$5,356,000 from 2019 General Obligation Bond funds
- \$4,025,829 from 2024 General Obligation Bond funds
- \$2,999,782 from the Housing Trust Fund
- \$2,102,261 from the Housing Stability Fund
- \$2,000,000 from the Affordable Housing Fund

City Subsidy

SSP program guidelines establish the maximum City subsidy per unit for acquisition, rehabilitation, and permanent financing based on the unit type, ranging from \$275,000 for each single room occupancy unit up to \$550,000 per ADU studio unit. However, the MOHCD Director can approve funding above the maximum guidelines if the project meets minimum scoring requirements.

The not to exceed City loan of \$50.6 million is equal to \$468,519 per unit, including PASS funding of \$202,242 per unit and SSP funding of \$226,277 per unit. Based on the unit mix of the building, the SSP funding (\$226,277 per unit) is approximately 38 percent less than the maximum permitted under program guidelines (\$364,000 per unit).³

Because PASS funding is a hard debt product, there are no comparable guidelines for PASS funding, but PASS loans are constrained and sized based on a minimum debt service coverage ratio of 1.15, a maximum loan-to-value ratio of 90 percent, and a maximum loan-to-cost ratio of 80 percent.

Operating Revenues and Expenses

According to the 20-year cash flow analysis for the project, the project's revenues are sufficient to cover operating expenses, reserves, and management fees. Project revenues consist of tenant rents, parking income, and commercial rents. The operating budget assumes annual rental

¹ Operating reserves support unanticipated operating costs for at least 20 years. Replacement reserves support the project's capital needs over time. Vacancy reserves cover vacancy rates exceeding the five percent anticipated average. SSP guidelines require an operating reserve equal to 25 percent of the first-year operating budget and a replacement reserve equal to the greater of \$2,000 per unit or the amount needed to fund capital costs for the next 10 years (based on an approved Capital Needs Assessment).

² MOHCD anticipates that exiting tenants would have to be relocated for approximately 40 days to allow for construction.

³ Maximum subsidy is calculated as \$350,000 for each of the 78 studio units and \$400,000 for each of the one-bedroom units.

income loss of 10 percent for residential units (for the first three years), 25 percent for parking, and 20 percent for commercial space. Starting in Year 4, the rental income loss declines to five percent. As mentioned above, approximately 10 percent of the residential units and parking spaces were vacant as of November 2024, and only one of five commercial spaces was occupied by a commercial tenant. According to MOHCD, the residential vacancy assumption of five percent (starting in Year 4) is consistent with other Big Site projects and TNDC's other non-SRO projects.

PASS loans must be repaid according to the terms discussed above. A portion of net income after operating expenses (residual receipts) will be used to repay the SSP loan.

RECOMMENDATION

Approve the proposed resolution.

**LOAN AGREEMENT
(CITY AND COUNTY OF SAN FRANCISCO
CDBG, PASS AND SMALL SITES PROGRAMS)**

By and Between

THE CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation, represented by the Mayor,
acting by and through the Mayor's Office of Housing and Community Development,

and

1155 ELLIS GP LLC
a California limited liability company

for

Normandy Apartments
1135, 1155 and 1175 Ellis Street

2016 G.O. Bond (Series 2019A): \$1,854,128
PASS - Market Rate Loan: \$933,904
PASS - Below Market Rate Loan: \$546,981
PASS - Deferred Loan: \$103,243

2016 G.O. Bond (Series 2020C): \$20,258,000
PASS - Market Rate Loan: \$12,337,122
PASS - Below Market Rate Loan: \$6,806,688
PASS - Deferred Loan: \$1,114,190

SSP Loan: \$28,757,872
Community Development Block Grant: \$12,274,000
Housing Trust Fund: \$2,999,782
Affordable Housing Fund: \$2,000,000
Housing Stability Fund: \$2,102,261
2019 GO Bond: \$5,356,000
2024 GO Bond: \$4,025,829

Dated as of [_____], 2025

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LOAN AGREEMENT
(City and County of San Francisco
PASS Program, SSP Program and CDBG Program)
Normandy Apartments
1135, 1155 and 1175 Ellis Street

THIS LOAN AGREEMENT ("Agreement") is entered into as of [____], by and between the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation (the "City"), represented by the Mayor, acting by and through the Mayor's Office of Housing and Community Development ("MOHCD"), and **1155 ELLIS GP LLC**, a California limited liability company ("Borrower").

RECITALS

A. On July 18, 2014, the Citywide Affordable Housing Loan Committee authorized the Small Sites Acquisition and Rehabilitation Loan Program ("Small Sites Program") for the purpose of preserving and stabilizing San Francisco's existing rental housing stock of buildings that are up to 25 units and occupied by low- to moderate-income tenants who are vulnerable to displacement due to market-driven increases in evictions. Through this approval, MOHCD is authorized to provide loans to individual entities for acquisition and rehabilitation of specific existing residential buildings.

B. On November 3, 1992, the voters of the City and County of San Francisco approved Proposition A, which provided for the issuance of up to \$350 million in general obligation bonds to establish and fund a Seismic Safety Loan Program. On November 8, 2016, the voters of the City and County of San Francisco approved Proposition C expanding the permitted use of the bonds to finance the costs to acquire, improve, rehabilitate and convert at-risk multi-unit residential buildings to permanent affordable housing. Under Chapter 66 of the San Francisco Administrative Code and the Preservation and Seismic Safety ("PASS") Program Regulations adopted by MOHCD, the City is authorized to provide a portion of proceeds of the 2016 GO Bond (Series 2019A and Series 2020C), (collectively, the "2016 GO Bonds") under this Agreement to Borrower for the preservation of affordable housing.

C. The City is authorized under a contract with the United States Department of Housing and Urban Development ("HUD") pursuant to Title I of the Housing and Community Development Act of 1974 (42 U.S.C. §§ 5301 *et seq.*), to distribute Community Development Block Grant ("CDBG") funds under this Agreement (the "CDBG Funds") for the specific and special purpose of increasing the housing stock in the City for low- and very low-income persons.

D. Under the Inclusionary Affordable Housing Program set forth in Sections 415.1 *et seq.* of the San Francisco Planning Code, the Citywide Affordable Housing Fund receives in-lieu Affordable Housing Fees ("Affordable Housing Fees") paid by housing developers to satisfy requirements of the Inclusionary Affordable Housing Program. The City may use the Affordable Housing Fees received by the Citywide Affordable Housing Fund to finance housing affordable

to qualifying households. MOHCD administers the Fees pursuant to Section 10.100-49 of the San Francisco Administrative Code and enforces agreements relating to them. A portion of the Small Sites Program Loan will be comprised of Affordable Housing Fees.

E. In November 2012, the voters of the City approved Proposition C, which established a housing trust fund to provide funds to support creating, acquiring and rehabilitating affordable housing and promoting affordable home ownership programs (the “Housing Trust Fund”). The City is authorized to provide funds from the Housing Trust Fund to Borrower pursuant to San Francisco City Charter Section 16.110.

F. On November 5, 2019, the voters of the City and County of San Francisco approved Proposition A (Ordinance 308-19), which provided for the issuance of up to \$600 million in general obligation bonds to finance the construction, acquisition, improvement, rehabilitation, preservation and repair of certain affordable housing improvements (the “2019 G.O. Bond”). To the extent permitted by law and in accordance with this Agreement, the City intends to provide funds from the proceeds of the 2019 G.O. Bond amounts disbursed under this Agreement to Borrower for the development of affordable housing.

G. On March 5, 2024, the voters of the City and County of San Francisco approved Proposition A (Ordinance XXX-24), which provided for the issuance of up to \$300 million in general obligation bonds to finance the construction, acquisition, improvement, rehabilitation, preservation and repair of certain affordable housing improvements (the “2024 G.O. Bond”). To the extent permitted by law and in accordance with this Agreement, the City intends to provide funds from the proceeds of the 2024 G.O. Bond amounts disbursed under this Agreement to Borrower for the development of affordable housing. The 2016 G.O. Bond, the 2019 G.O. Bond and the 2024 G.O. Bond are collectively referred to in this Agreement as the “Bonds”.

H. Under San Francisco Administrative Code Section 10.100-78, the San Francisco Board of Supervisors established the Housing Stability Fund to receive appropriated funds by the City for the purpose of providing funds for the acquisition, creation, operation, development, construction, or rehabilitation of “Social Housing Developments” as defined in Section 10.100-78(e) (the “Housing Stability Fund”). MOHCD is authorized to provide funds from the Housing Stability Fund under this Agreement to Borrower for the acquisition, rehabilitation, and/or construction of affordable housing.

I. The funds provided from the 2016 G.O. Bond, CDBG Funds, Affordable Housing Fees, Housing Trust Fund, the 2019 G.O. Bond and the Housing Stability Fund are collectively referred to in this Agreement as the “Funds.”

J. Borrower intends to acquire a fee interest in certain real property located at 1135, 1155 and 1175 Ellis Street, San Francisco, California (the “Site”), which is currently developed as a residential rental housing comprised of 108-units. Borrower desires to use the Funds to finance its acquisition and rehabilitation of the Site and in order to preserve the Site as residential housing affordable to low- to moderate-income households (the “Project”).

K. Tenderloin Neighborhood Development Corporation, a California nonprofit public benefit corporation (“TNDC”) has a controlling interest in Borrower. TNDC is a CHDO (as defined in Section 1.1.) and therefore all federal requirements applying to a CHDO will apply to all activities funded under this Agreement.

L. The City has reviewed Borrower's application for Funds and, in reliance on the accuracy of the statements in that application, has agreed to make a loan of Funds to Borrower

(the "SSP Loan") in the amount of Twenty Eight Million Seven Hundred Fifty Seven Eight Hundred Seventy-Two and No/100 Dollars (\$28,757,872) (the "SSP Loan Amount") under this Agreement to fund certain costs related to the Project. In addition, the City has reviewed Borrower's application for Funds and, in reliance on the accuracy of the statements in that application, has agreed to make (1) a Series 2019A market rate loan of Funds to Borrower (the "Series A Market Rate Loan") in the amount of Nine Hundred Thirty-Three Thousand Nine Hundred and Four and No/100 Dollars (\$933,904.00), (2) a Series 2020C market rate loan of Funds to Borrower (the "Series C Market Rate Loan") in the amount of Twelve Million Three Hundred Thirty-Seven Thousand One Hundred Twenty-Two and No/100 Dollars and No/100 Dollars (\$12,337,122.00) (the Series A Market Rate Loan together with Series C Market Rate Loan, collectively the "Market Rate Loan"), (3) a Series 2019A below market rate loan of Funds to Borrower ("Series A BMR Loan") in the amount of Five Hundred Forty-Six Thousand Nine Hundred Eighty-One and No/100 Dollars (\$546,981.00), (4) a Series 2020C below market rate loan of Funds to Borrower ("Series C BMR Loan") in the amount of Six Million Eight Hundred Six Thousand Six Hundred Eighty-Eight and No/100 Dollars (\$6,806,688.00) (the Series A BMR Loan together with the Series C BMR Loan, collectively the "BMR Loan"), (5) a Series 2019A deferred loan of Funds to Borrower ("Series A Deferred Loan") in the amount of One Hundred Thousand Two Hundred Forty-Three and No/100 Dollars (\$103,243.00) and (6) a Series 2020C deferred loan of Funds to Borrower ("Series C Deferred Loan") in the amount of One Million One Hundred Fourteen Thousand One Hundred Ninety and No/100 Dollars (\$1,114,190.00) (the Series A Deferred Loan together with Series C Deferred Loan, collectively the "Deferred Loan"), for a total PASS loan of Funds to Borrower in the amount of Twenty-One Million Eight Hundred Forty-Two Thousand One Hundred Twenty-Eight and No/100 Dollars (\$21,842,128) (the "PASS Loan Amount") under this Agreement to fund certain costs related to the Project. The SSP Loan Amount together with the PASS Loan Amount are collectively referred to herein as the "Funding Amount".,

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the parties agree as follows:

ARTICLE 1 DEFINITIONS.

1.1 Defined Terms. As used in this Agreement, the following words and phrases have the following meanings:

"Accounts" means all depository accounts, including reserve and trust accounts, required or authorized under this Agreement or otherwise by the City in writing. All Accounts must be maintained in accordance with **Section 2.3**.

"Agreement" means this Loan Agreement.

"Agreement Date" means the date first written above.

"Annual Monitoring Report" has the meaning set forth in **Section 10.3**.

"Annual Operating Budget" means an annual operating budget for the Project attached hereto as **Exhibit B-2**, which may not be adjusted without the City's prior written approval.

“Approved Plans” has the meaning set for in **Section 5.2**.

“Approved Specifications” has the meaning set forth in **Section 5.2**.

"Authorizing Resolutions" means: (a) in the case of a corporation, a certified copy of resolutions adopted by its board of directors; (b) in the case of a partnership (whether general or limited), a certificate signed by all of its general partners; and (c) in the case of a limited liability company, a certified copy of resolutions adopted by its board of directors or members, satisfactory to the City and evidencing Borrower's authority to execute, deliver and perform the obligations under the City Documents to which Borrower is a party or by which it is bound.

“BMR Loan” has the meaning set forth in **the Recitals**.

“BMR Loan Amount” means the aggregate amount of the BMR Loan which equals Seven Million Three Hundred Fifty-Three Thousand Six Hundred Sixty-Nine and No/100 Dollars (\$7,353,669).

“BMR Notes” means the two promissory notes executed by Borrower in favor of the City in the original principal amounts of the Series A BMR Loan and the Series C BMR Loan.

“Bonds” has the meaning set forth in **the Recitals**.

"Borrower" means 1155 Ellis GP LLC, a California limited liability company whose sole member and manager is Turk Street, Inc., a California nonprofit public benefit corporation "Manager", and its authorized successors and assigns.

"CDBG" has the meaning set forth in **Recital C**.

“Certificate of Preference” means the form establishing a priority right for tenant selection, as further described in the Operational Rules.

“Certificate of Preference Holder” means a person or household that has been issued a Certificate of Preference.

"CFR" means the Code of Federal Regulations.

"Charter Documents" means: (a) in the case of a corporation, its articles of incorporation and bylaws; (b) in the case of a partnership, its partnership agreement and any certificate or statement of partnership; and (c) in the case of a limited liability company, its operating agreement and any LLC certificate or statement.

"CHDO" means a Community Housing Development Organization, as defined in 24 CFR § 92.2.

"City" means the City and County of San Francisco, a municipal corporation, represented by the Mayor, acting by and through MOHCD. Whenever this Agreement provides for a submission to the City or an approval or action by the City, this Agreement refers to submission to or approval or action by MOHCD unless otherwise indicated.

"City Documents" means this Agreement, the Notes, the Deeds of Trust, the Declaration of Restrictions, the Purchase Option, and any other documents executed or delivered in connection with this Agreement.

"CNA" means a 20-year capital needs assessment or analysis of replacement reserve requirements.

"Commercial Income" means all receipts received by Borrower from the operation of the Commercial Space, including rents, parking rental, fees, deposits (other than security deposits), any accrued interest disbursed from any reserve account authorized under this Agreement for a purpose other than that for which the reserve account was established, reimbursements, and other charges paid to Borrower in connection with the Commercial Space.

"Commercial Space" refers to the one office suite occupied by a third-party lessee as of the Agreement Date, known as Suite 4 in Exhibit B-1, as well as the 120 parking spaces located on the Site. As used in this Agreement, the term excludes common area space in the Project to be used primarily for the benefit of the Qualified Tenants.

"Completion Date" has the meaning set forth in **Section 5.6**.

"Compliance Term" means the period commencing on the date the SSP Deed of Trust and PASS Deed of Trust are recorded in the Official Records and remaining for the time during which the Project, or any modification of the Project, remains in existence, but in any event no less than ninety nine (99) years, even if the Loan is repaid or otherwise satisfied or the Deeds of Trust are reconveyed before that date.

"Construction Contract" has the meaning set forth in **Section 5.2**.

"Contracting Manual" means the Contracting Implementation Manual (CIM) issued by MOHCD and dated July 2013, as the same may be amended from time to time.

"Declaration of Restrictions" means a recorded declaration of restrictions in form and substance acceptable to the City that requires Borrower and the Project to comply with the use restrictions in this Agreement for the Compliance Term, even if the Loan is repaid or otherwise satisfied, this Agreement terminates or the Deeds of Trust are reconveyed.

"Deferred Loan" has the meaning set forth in **the Recitals**.

"Deferred Loan Amount" means the aggregate amount of the Deferred Loan which equals One Million Two Hundred Seventeen Thousand Four Hundred Thirty-Three and No/100 Dollars (\$1,217,433.00).

“Deferred Notes” means the two promissory notes executed by Borrower in favor of the City in the original principal amounts of the Series A Deferred Loan and the Series C Deferred Loan.

"Deeds of Trust" means collectively the PASS Deed of Trust and the SSP Deed of Trust.

“Department of Building Inspection” has the meaning set forth in **Section 5.2**.

"Developer" means the Tenderloin Neighborhood Development Corporation, a California nonprofit public benefit corporation, and its authorized successors and assigns.

"Developer Fees" has the meaning set forth in **Section 15.1**.

"Disbursement" means the disbursement of all or a portion of the Funding Amount by the City as described in **Article 4**.

“Displaced Tenant Preference Certificate Holder” means a person or household that has been issued a certificate under the Displaced Tenant Preference Program, as further described in the Operational Rules.

"Distributions" has the meaning set forth in **Section 13.1**.

"Environmental Activity" means any actual, proposed or threatened spill, leak, pumping, discharge, leaching, storage, existence, release, generation, abatement, removal, disposal, handling or transportation of any Hazardous Substance from, under, into or on the Site.

"Environmental Laws" means all present and future federal, state, local and administrative laws, ordinances, statutes, rules and regulations, orders, judgments, decrees, agreements, authorizations, consents, licenses, permits and other governmental restrictions and requirements relating to health and safety, industrial hygiene or the environment or to any Hazardous Substance or Environmental Activity, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (commonly known as the "Superfund" law) (42 U.S.C. §§ 9601 *et seq.*), the Resource Conservation and Recovery Act of 1976, as amended by the Solid Waste and Disposal Act of 1984 (42 U.S.C. §§ 6901 *et seq.*); the National Environmental Policy Act of 1969 (“NEPA”) (24 CFR §§ 92 and 24 CFR §§ 58); the California Hazardous Substance Account Act (also known as the Carpenter-Presley-Tanner Hazardous Substance Account Law and commonly known as the "California Superfund" law) (Cal. Health & Safety Code §§ 25300 *et seq.*); and the Safe Drinking Water and Toxic Enforcement Act of 1986 (commonly known as "Proposition 65") (Cal. Health & Safety Code §§ 25249.2 *et seq.*); and Sections 25117 and 25140 of the California Health & Safety Code.

"Escrow Agent" has the meaning set forth in **Section 4.2**.

"Event of Default" has the meaning set forth in **Section 19.1**.

"Excess Proceeds" has the meaning set forth in **Section 5.9**.

"Expenditure Request" means a written request by Borrower for a Disbursement from the Funding Amount, which must certify that the Project costs covered by the Expenditure Request have been paid or incurred by Borrower.

"Funding Amount" has the meaning set forth in **the Recitals**.

"Funds" has the meaning set forth in **the Recitals**.

"GAAP" means generally accepted accounting principles in effect on the date of this Agreement and at the time of any required performance.

"Governmental Agency" means: (a) any government or municipality or political subdivision of any government or municipality; (b) any assessment, improvement, community facility or other special taxing district; (c) any governmental or quasi-governmental agency, authority, board, bureau, commission, corporation, department, instrumentality or public body; or (d) any court, administrative tribunal, arbitrator, public utility or regulatory body.

"Hazardous Substance" means any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any Governmental Agency to pose a present or potential hazard to human health or safety or to the environment. Hazardous Substance includes any material or substance listed, defined or otherwise identified as a "hazardous substance," "hazardous waste," "hazardous material," "pollutant," "contaminant," "pesticide" or is listed as a chemical known to cause cancer or reproductive toxicity or is otherwise identified as "hazardous" or "toxic" under any Environmental Law, as well as any asbestos, radioactive materials, polychlorinated biphenyls and any materials containing any of them, and petroleum, including crude oil or any fraction, and natural gas or natural gas liquids. Materials of a type and quantity normally used in the rehabilitation, construction, operation or maintenance of developments similar to the Project will not be deemed "Hazardous Substances" for the purposes of this Agreement if used in compliance with applicable Environmental Laws.

"HUD" means the United States Department of Housing and Urban Development acting by and through the Secretary of Housing and Urban Development and any authorized agents.

"in balance" means that the sum of undisbursed Funds and any other sources of funds that Borrower has closed or for which Borrower has firm commitments will be sufficient to complete rehabilitation of the Project, as determined by the City in its sole discretion.

"Income Restrictions" means the maximum household income limits for Qualified Tenants, as described in **Section 7**.

"Indemnify" means, whenever any provision of this Agreement requires a person or entity (the "Indemnitor") to Indemnify any other entity or person (the "Indemnitee"), that the Indemnitor will be obligated to defend, indemnify and protect and hold harmless the Indemnitee, its officers, employees, agents, constituent partners, and members of its boards and commissions

from and against any and all Losses arising directly or indirectly, in whole or in part, out of the act, omission, event, occurrence or condition with respect to which the Indemnitor is required to Indemnify an Indemnitee, whether the act, omission, event, occurrence or condition is caused by the Indemnitor or its agents, employees or contractors, or by any third party or any natural cause, foreseen or unforeseen; *provided that* no Indemnitor will be obligated to Indemnify any Indemnitee against any Loss arising or resulting from the gross negligence or intentional wrongful acts or omissions of the Indemnitee or its agents, employees or contractors. If a Loss is attributable partially to the grossly negligent or intentionally wrongful acts or omissions of the Indemnitee (or its agents, employees or contractors), the Indemnitor must Indemnify the Indemnitee for that part of the Loss not attributable to its own grossly negligent or intentionally wrongful acts or omissions or those of its agents, employees or contractors.

"Indemnitee" has the specific meaning set forth in **Section 23.1** and the general meaning set forth in the definition of "Indemnify."

"Indemnitor" has the meaning set forth in the definition of "Indemnify."

"Laws" means all statutes, laws, ordinances, regulations, orders, writs, judgments, injunctions, decrees or awards of the United States or any state, county, municipality or Governmental Agency.

"Loan" means, collectively, the SSP Loan, the Market Rate Loan, the BMR Loan, and the Deferred Loan.

"Loss" or "Losses" includes any loss, liability, damage, cost, expense or charge and reasonable attorneys' fees and costs, including those incurred in a proceeding in court or by mediation or arbitration, on appeal or in the enforcement of the City's rights or in defense of any action in a bankruptcy proceeding.

"Market Rate Loan" has the meaning set forth in the **Recitals**.

"Market Rate Loan Amount" means the aggregate amount of the Market Rate Loan which equals Thirteen Million Two Hundred Seventy-One Thousand Twenty-Six and No/100 Dollars (\$13,271,026.00).

"Market Rate Notes" means the two promissory notes executed by Borrower in favor of the City in the original principal amount of the Series A Market Rate Loan and the Series C Market Rate Loan.

"Marketing and Tenant Selection Plan" has the meaning set forth in **Section 6.1**.

"Maturity Date" has the meaning set forth in **Section 3.1**.

"Maximum Rent" means the total amount for rent and utilities (with the maximum allowance for utilities determined by the SFHA) charged to a Qualified Tenant. Maximum Rent must be approved by MOHCD and may not exceed: (i) the amount identified in the "100% of Median – Max Gross Rent" row and the applicable Unit type column in the Maximum Rent

Table; or (ii) in the case of a Qualified Tenant participating in a rent subsidy program, the tenant paid portion of the contract rent as determined by either (A) the SFHA for Qualified Tenants holding Section 8 vouchers or certificates, or (B) MOHCD for any other rent subsidy program.

“Maximum Rent Table” means the “Maximum Monthly Rent by Unit Type derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that Contains San Francisco,” as published annually by MOHCD, or a successor metric approved by MOHCD.

“Median Income” means 100% median income as published annually by MOHCD, or a successor metric approved by MOHCD, derived in part from income limits determined by HUD for the San Francisco area, adjusted solely for household size, but not high housing cost area, also referred to as “Unadjusted Median Income”. MOHCD’s current publication for determination of Median Income is the “Maximum Income by Household Size derived from the Unadjusted Area Median Income for HUD Metro Fair Market Rent Area that Contains San Francisco.”

"MOHCD" means the Mayor’s Office of Housing and Community Development or its successor.

“MOHCD Monthly Project Update” has the meaning set forth in **Section 10.2**.

“Notes” (or each “Note”) means, collectively, the SSP Note, the Market Rate Notes, the BMR Notes, and the Deferred Notes.

“Official Records” means the Official Records of the City and County of San Francisco.

"Operating Reserve Account" has the meaning set forth in **Section 12.2**.

“Operational Rules” means MOHCD’s Marketing, Housing Preferences and Lottery Procedures Manual dated October 19, 2020, as amended from time to time.

"Opinion" means an opinion of Borrower's California legal counsel, satisfactory to the City and its legal counsel, that Borrower is a duly formed, validly existing California limited partnership in good standing under the laws of the State of California, has the power and authority to enter into the City Documents and will be bound by their terms when executed and delivered, and that addresses any other matters the City reasonably requests.

"out of balance" means that the sum of undisbursed Funds and any other sources of funds that Borrower has closed or for which Borrower has firm commitments will not be sufficient to complete rehabilitation of the Project, as determined by the City in its sole discretion.

"PASS Deed of Trust" means the deed of trust executed by Borrower granting the City a lien on the Site and the Project to secure Borrower's performance under this Agreement, the Declaration of Restrictions, the Market Rate Note, the Below Market Rate Note, and the Deferred Note, in form and substance acceptable to the City.

"Payment Date" or "First Payment Date" means the first day of the month that is one full calendar month after the date that the PASS Deed of Trust and SSP Deed of Trust are recorded in the Official Records "Payment Date" also means each succeeding 1st day of the month until the Maturity Date.

"Permitted Exceptions" means liens in favor of the City, real property taxes and assessments that are not delinquent, and any other liens and encumbrances the City expressly approves in writing in its escrow instructions.

"Preferences Ordinance" means Chapter 47 of the San Francisco Administrative Code, as amended from time to time.

"Project" means the development described in the **Recitals**. If indicated by the context, "Project" means the Site and the improvements developed on the Site.

"Project Expenses" means the following costs, which may be paid from Project Income in the following order of priority to the extent of available Project Income: (a) all charges incurred in the operation of the Project for utilities, real estate taxes and assessments and premiums for insurance required under this Agreement or by other lenders providing secured financing for the Project; (b) salaries, wages and any other compensation due and payable to the employees or agents of Borrower employed in connection with the Project, including all related withholding taxes, insurance premiums, Social Security payments and other payroll taxes or payments; (c) required payments of interest and principal, if any, on any junior or senior financing secured by the Site and used to finance the Project that has been approved by the City; (d) all other expenses actually incurred to cover operating costs of the Project, including maintenance and repairs and the fee of any managing agent as indicated in the Annual Operating Budget; (e) required deposits to the Replacement Reserve Account, Operating Reserve Account, Vacancy Reserve Account and any other reserve account required under this Agreement; (f) the approved annual asset management fees in the amount of \$26,009 (plus a 3.5% annual increase as indicated in the Annual Operating Budget and approved by the City); and (g) any extraordinary expenses approved in advance by the City (other than expenses paid from any reserve account).

"Project Income" means all income and receipts in any form received by Borrower from the operation of the Project, including rents, fees, deposits (other than tenant security deposits), any accrued interest disbursed from any reserve account required under this Agreement for a purpose other than that for which the reserve account was established, reimbursements and other charges paid to Borrower in connection with the Project. Interest accruing on any portion of the Funding Amount is not Project Income or Commercial Income.

"Project Operating Account" has the meaning set forth in **Section 11.1**.

"Public Benefit Purposes" means activities or programs that primarily benefit low-income persons, are implemented by one or more nonprofit 501(c)(3) public benefit organizations, or have been identified by a City agency or a community planning process as a priority need in the neighborhood in which the Project is located.

“Purchase Option” means the Purchase Option Agreement executed by Borrower granting the City an option to purchase the Site to ensure the continued enforceability of City’s regulatory program pursuant to the Declaration of Restrictions, in form and substance acceptable to the City.

"Qualified Tenant" means household occupying the Project that has been certified and approved as earning no more than the maximum permissible annual income level allowed by this Agreement and that has entered into a lease with Borrower in a form approved by City. As the context requires, “Qualified Tenant” also means households occupying the Project that (i) have entered into a lease with Borrower in a form approved by City but have not been income certified, in accordance with **Section 7.2(a)**, or (ii) have not entered into a lease with Borrower in a form approved by City but have been provided binding notice in accordance with Section 4.3(k).

"Rent" means the monthly sum charged to Qualified Tenants for rent in compliance with this Agreement.

"Replacement Reserve Account" has the meaning set forth in **Section 12.1**.

"Residual Receipts" means Project Income remaining after payment of Project Expenses. The amount of Residual Receipts must be based on figures contained in audited financial statements.

"Retention" has the meaning set forth in **Section 4.7**.

"Section 8" means rental assistance provided under Section 8(c)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. § 1437f) or any successor or similar rent subsidy programs.

"Senior Lien" has the meaning set forth in **Section 24.1**.

“Severely Rent Burdened” means a Qualified Tenant household paying monthly Rent that is fifty percent (50%) or more of its gross monthly income (as shown on the Qualified Tenant’s income certification required under **Section 7.4** below).

"SFHA" means the Housing Authority of the City and County of San Francisco.

"Site" means the real property described in the **Recitals** of this Agreement.

"SSP Deed of Trust" means the deed of trust executed by Borrower granting the City a lien on the Site and the Project to secure Borrower's performance under this Agreement, the Declaration of Restrictions, and the SSP Note, in form and substance acceptable to the City.

“SSP Guidelines” means MOHCD’s Small Sites Program Guidelines, as amended from time to time.

“SSP Loan” has the meaning set forth in the **Recitals**.

“SSP Loan Amount” has the meaning set forth in the **Recitals**.

“SSP Note” means the promissory note executed by Borrower in favor of the City in the original principal amount of the SSP Loan Amount.

“Surplus Cash” means Commercial Income remaining after payment of the sum of commercial debt service, operating expenses for the Commercial Space and reserve deposits for the Commercial Space but excludes depreciation, amortization, depletion, other non-cash expenses or expenditures from reserve accounts.

"Table" means: (a) the Table of Sources and Uses, (b) the Annual Operating Budget, and (c) the 20-Year Cash Flow Proforma.

"Table of Sources and Uses" means a table of sources and uses of funds attached hereto as **Exhibit B-1**, including a line item budget for the use of the Funding Amount, which table may not be adjusted without the City’s prior written approval.

“Tenant Screening Criteria Policy” means the policy attached hereto as **Exhibit I**.

"Title Policy" means an ALTA extended coverage lender's policy of title insurance in form and substance satisfactory to the City, issued by an insurer selected by Borrower and satisfactory to the City, together with any endorsements and policies of coinsurance and/or reinsurance required by the City, in a policy amount equal to the Funding Amount, insuring the Deeds of Trust and indicating the Declaration of Restrictions as valid liens on the Site, each subject only to the Permitted Exceptions.

“20-Year Cash Flow Proforma” means the 20-year cash flow proforma for the Project attached as **Exhibit B-3**.

"Unit" means a residential rental unit within the Project.

"Vacancy Reserve Account" has the meaning set forth in **Section 12.3**.

“Waiting List” has the meaning set forth in **Section 6.5**.

1.2 Interpretation. The following rules of construction will apply to this Agreement and the other City Documents.

(a) The masculine, feminine or neutral gender and the singular and plural forms include the others whenever the context requires. The word "include(s)" means "include(s) without limitation" and "include(s) but not limited to," and the word "including" means "including without limitation" and "including but not limited to" as the case may be. No listing of specific instances, items or examples in any way limits the scope or generality of any

language in this Agreement. References to days, months and years mean calendar days, months and years unless otherwise specified. References to a party mean the named party and its successors and assigns.

(b) Headings are for convenience only and do not define or limit any terms. References to a specific City Document or other document or exhibit mean the document, together with all exhibits and schedules, as supplemented, modified, amended or extended from time to time in accordance with this Agreement. References to Articles, Sections and Exhibits refer to this Agreement unless otherwise stated.

(c) Accounting terms and financial covenants will be determined, and financial information must be prepared, in compliance with GAAP as in effect on the date of performance. References to any Law, specifically or generally, will mean the Law as amended, supplemented or superseded from time to time.

(d) The terms and conditions of this Agreement and the other City Documents are the result of arms'-length negotiations between and among sophisticated parties who were represented by counsel, and the rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not apply to the construction and interpretation of the City Documents. The language of this Agreement must be construed as a whole according to its fair meaning.

ARTICLE 2 FUNDING.

2.1 Funding Amount. The City agrees to lend to Borrower a maximum principal amount equal to the Funding Amount in order to provide permanent financing for the Project to preserve affordability that might otherwise be lost to the market-rate real estate market. The Funding Amount will be disbursed according to the terms and subject to the conditions set forth in this Agreement.

2.2 Use of Funds. Borrower acknowledges that the City's agreement to make the Loan is based in part on Borrower's agreement to use the Funds solely for the purpose set forth in **Section 2.1** and agrees to use the Funds solely for that purpose in accordance with the approved Table of Sources and Uses. Notwithstanding anything to the contrary contained herein, City shall not approve expenditure of Funds for expenses incurred by Borrower prior to January 31, 2025.

2.3 Accounts; Interest. Each Account to be maintained by Borrower under this Agreement must be held in a bank or savings and loan institution acceptable to the City as a segregated account that is insured by the Federal Deposit Insurance Corporation or other comparable federal insurance program. With the exception of tenant security deposit trust accounts, any interest earned on funds in any Account must be used for the benefit of the Project.

2.4 Records. Borrower must maintain and provide to the City upon request records that accurately and fully show the date, amount, purpose and payee of all expenditures from each Account authorized under this Agreement or by the City in writing and keep all estimates,

invoices, receipts and other documents related to expenditures from each Account. In addition, Borrower must provide to the City promptly following Borrower's receipt, complete copies of all monthly bank statements, together with a reconciliation, for each Account until all funds (including accrued interest) in each Account have been disbursed for eligible uses.

2.5 Conditions to Additional Financing. The City may grant or deny any application by Borrower for additional financing for the Project in its sole discretion.

ARTICLE 3 TERMS. Borrower's repayment obligations with respect to the Funding Amount will be evidenced and governed by the Notes, which will govern in the event of any conflicting provision in this Agreement.

3.1 Maturity Date. Borrower must repay all amounts owing under the City Documents on the date that is the fortieth (40th) anniversary of the date that is the first day of the first full month following the date the Deeds of Trust are recorded in the Official Records (the "Maturity Date").

3.2 Compliance Term; Declaration of Restrictions. Borrower must comply with all provisions of the City Documents relating to the use of the Site and the Project, as set forth in the Declaration of Restrictions to be recorded in the Official Records for the Compliance Term.

3.3 Interest. The outstanding principal balance of the SSP Loan will bear simple interest at a rate of 3% per annum, as provided in the SSP Note. The outstanding principal balance of the Series A Market Rate Loan will bear interest at a rate of 5.16725% per annum and the Series C Market Rate Loan will bear interest at a rate of 3.87289% per annum, both compounding monthly, as provided in the Series A Market Rate Note and Series C Market Rate Note. The outstanding principal balance of the Series A BMR Loan will bear interest at a rate of 1.38908% per annum and the Series C BMR Loan will bear interest at a rate of 0.95763% per annum, both compounding monthly, as provided in the Series A BMR Note and the Series C BMR Note. The outstanding principal balance of the Series A Deferred Loan will bear interest at a rate of 1.38908% per annum and the Series C Deferred Loan will bear interest at a rate of 0.95763% per annum, compounding monthly, as provided in the Series A Deferred Note and the Series C Deferred Note.

3.4 Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, the principal balance of the Loan will bear interest at the default interest rate set forth in the Notes, with such default interest rate commencing as of the date specified in each Note and continuing until such Event of Default is fully cured. In addition, the default interest rate will apply to any amounts to be reimbursed to the City under any City Document if not paid when due or as otherwise provided in any City Document.

3.5 Repayment of Principal and Interest. The outstanding principal balance of each Loan, together with all accrued and unpaid interest will be due and payable on the Maturity Date according to the terms set forth in full in each of the Notes.

3.6 Changes In Funding Streams. The City's agreement to make the Loan on the terms set forth in this Agreement and the Notes is based in part on Borrower's projected sources and uses of all funds for the Project, as set forth in the Table of Sources and Uses. Borrower covenants to give written notice to the City within thirty (30) days of any significant changes in budgeted funding or income set forth in documents previously provided to the City. Examples of significant changes include loss or adjustments (other than regular annual adjustments) in funding under Shelter + Care, Section 8 or similar programs. The City reserves the right to modify the terms of this Agreement based upon any new information so provided, in its reasonable discretion.

3.7 Additional Borrower Covenants. Borrower hereby covenants and agrees to perform the following additional obligations during the Compliance Term:

- (a) Borrower shall accept rental assistance (such as Section 8, or any successor or similar rent subsidy programs) to the extent that Rent charged for the Unit complies with such program regulations and a Qualified Tenant who submits a voucher or other form of rental assistance has been selected through the marketing process described in **Article 6** and is otherwise qualified for the Unit.
- (b) To the extent possible, as allowable by applicable law, and in compliance with MOHCD's marketing procedures outlined in Article 6 of this Agreement, Borrower will maximize the occupancy of the Units.
- (c) Borrower must submit an Operations and Maintenance (O&M) Program to MOHCD for review and approval prior to MOHCD's issuance of a Notice to Proceed (NTP) to begin the Project rehabilitation, addressing containment and mitigation of asbestos during and after the rehabilitation.
- (d) Within one year of the Agreement Date, Borrower must provide to MOHCD (i) satisfactory income certifications for at least 80% of the tenants residing at the Site and sufficient evidence that the Project is occupied by households with a combined average income at or below 80% Median Income; (ii) an updated pro forma that confirms the expected property tax burden based on the number of Units eligible for the welfare tax exemption and documenting the property tax effect on Project annual operating expenses, operating reserve capitalization, and replacement reserve capitalization and deposits; and (iii) an updated pro forma and rent roll including: 1) how many households have incomes below 80% Median Income, 2) how many households have rent burdens above 50% or below 20% of their household income, 3) how many households have incomes exceeding welfare tax qualifying levels, and 4) any phased rent increases or immediate decreases required for households with rent burdens above 50% or below 20% of their household income. For purposes of this subsection (d), Borrower may include any Units that are vacant as of the Agreement Date in such calculation, using the maximum household income allowable pursuant to Exhibit A for each such vacant Unit.

- (e) Borrower must submit a relocation plan compliant with federal law to MOHCD for review and approval prior to MOHCD's issuance of a Notice of Proceed (NTP) to begin the Project rehabilitation.
- (f) Borrower must deposit all welfare tax exemption refunds attributable to the Project into the Replacement Reserve Account.
- (g) An Environmental Review must be completed that meets the standards of 24 CFR Part 58 and the National Environmental Policy Act.
- (h) Borrower must submit a Marketing and Tenant Selection Plan to MOHCD for approval at least 90 days prior to construction completion.

3.8 Additional City Approvals. Borrower understands and agrees that City is entering into this Agreement in its proprietary capacity and not as a regulatory agency with certain police powers. Borrower understands and agrees that neither entry by City into this Agreement nor any approvals given by City under this Agreement shall be deemed to imply that Borrower will obtain any required approvals from City departments, boards or commissions which have jurisdiction over the Property. By entering into this Agreement, City is in no way modifying or limiting the obligations of Borrower to develop the Property in accordance with all local laws. Borrower understands that any development of the Property shall require approvals, authorizations and permits from governmental agencies with jurisdiction over the Property, which may include, without limitation, the San Francisco City Planning Commission and the San Francisco Board of Supervisors. Notwithstanding anything to the contrary in this Agreement, no party is in any way limiting its discretion or the discretion of any department, board or commission with jurisdiction over the Project, including but not limited to a party hereto, from exercising any discretion available to such department, board or commission with respect thereto, including but not limited to the discretion to (i) make such modifications deemed necessary to mitigate significant environmental impacts, (ii) select other feasible alternatives to avoid such impacts, including the "No Project" alternative; (iii) balance the benefits against unavoidable significant impacts prior to taking final action if such significant impacts cannot otherwise be avoided, or (iv) determine not to proceed with the proposed Project.

3.9 PASS Program Costs. Borrower hereby covenants and agrees to pay MOHCD the following PASS program costs and fees:

- (a) Origination Fee – On or before the Agreement Date, the Borrower shall pay an origination fee to MOHCD equal to \$273,027.00. The Borrower shall pay the Origination Fee to MOHCD by certified or official bank check or other means of payment reasonably acceptable to MOHCD.
- (b) City Attorney Expenses – On or before the Agreement Date, the Borrower shall pay MOHCD a fee equal to \$15,000. The Borrower shall pay the City Attorney Expenses fee to MOHCD by certified or official bank check or other means of payment acceptable to MOHCD.
- (c) Compliance Monitoring Fee – The initial installment of this fee, which must be paid in full on or before the Agreement Date to cover the first year of monitoring, is \$11,000. Thereafter, the fee for the coming year,

which is due on the anniversary of the Agreement Date, is \$2,500. For Properties subject to City-imposed affordability restrictions, the fee is payable annually in advance for the duration of the Compliance Term. For Properties not subject to such restrictions, the fee is payable annually in advance through Loan maturity or prepayment.

- (d) Loan Servicing Fee – The cost of this fee is \$2,500 annually in advance. The first installment of the fee, which covers the first year of servicing, must be paid in full on or before the Agreement Date. Thereafter, the fee for the coming year is due on the anniversary of the Agreement Date through Loan maturity or prepayment.
- (e) Adjustments – All fees in Section 3.9 shall be increased proportionately in the event of an increase in the Loan, but shall not be decreased in the event of a reduction in the Loan.

3.10 Nonrecourse Loan. The City's recourse against Borrower following an Event of Default is limited as set forth in the Notes.

ARTICLE 4 CLOSING; DISBURSEMENTS.

4.1 Generally. Subject to the terms of this Agreement, the City will make Disbursements in an aggregate sum not to exceed the Funding Amount to or for the account of Borrower in accordance with this Agreement and the approved line item budget contained in the Table of Sources and Uses.

4.2 Closing. Unless otherwise agreed by the City and Borrower in writing, Borrower will establish an escrow account with the title company issuing the Title Policy, or any other escrow agent Borrower chooses, subject to the City's approval (the "Escrow Agent"). The parties will execute and deliver to the Escrow Agent written instructions consistent with the terms of this Agreement. In the event the escrow does not close on or before the expiration date of escrow instructions signed by the City, or any other mutually agreed date, the City may declare this Agreement to be null and void.

4.3 Conditions Precedent to Closing. The City will authorize the close of the Loan upon satisfaction of the conditions in this Section.

(a) Borrower must have delivered to the City fully executed (and for documents to be recorded, acknowledged) originals of the following documents, in form and substance satisfactory to the City: (i) the Notes; (ii) this Agreement (in duplicate); (iii) the SSP Deed of Trust; (iv) the PASS Deed of Trust; (v) the Declaration of Restrictions; (vi) the Purchase Option; ; (vii) the Authorizing Resolutions; and (viii) any other City Documents reasonably requested by the City.

(b) Borrower must have delivered to the City: (i) Borrower's Charter Documents, and an Opinion; (ii) a comprehensive operating and maintenance plan for the Project duly approved by Borrower's governing body that includes, but is not limited to, plans for emergencies and emergency maintenance, vacant unit turnover, preventive maintenance and

inspection schedule, and marketing and resident selection or the equivalent achieved through a contract with a 3rd party property manager; and (iii) a CNA that has been duly approved by the City. The Charter Documents must be delivered to the City in their original form and as amended from time to time and be accompanied by a certificate of good standing for Borrower issued by the California Secretary of State and, if Borrower is organized under the laws of a state other than California, a certificate of good standing issued by the Secretary of State of the state of organization, issued no more than ninety (90) days before the Agreement Date.

(d) Any lender with a security interest or other party with an interest in the Property must have agreed to subordinate its interest in the Site to the Declaration of Restrictions by instrument satisfactory in form and substance to the City.

(e) Borrower must have delivered to the City insurance endorsements and, if requested by the City, copies of policies for all insurance required under Exhibit L of this Agreement.

(f) Borrower must have delivered to the City a preliminary report on title for the Site dated no earlier than thirty (30) days before the Agreement Date.

(g) Borrower must have submitted a "Phase I" environmental report for the Site, or any other report reasonably requested by the City, prepared by a professional hazardous materials consultant acceptable to the City.

(h) The Declaration of Restrictions, SSP Deed of Trust, PASS Deed of Trust, and Purchase Option must have been recorded as valid encumbrances in the Official Records, subject only to the Permitted Exceptions.

(i) The Escrow Agent must have committed to provide to the City the Title Policy in form and substance satisfactory to the City.

(j) Borrower must have delivered to the City satisfactory evidence that current tenants in Project are aware of the transfer of property, the change in regulation to rents, and any rent increases that will be implemented as a result of the Project.

(k) For all households occupying the Project, Borrower must have entered into new leases or provided binding written 30-day notice of change of terms to existing month-to-month leases that are approved by MOHCD. The new leases or changes to existing leases must clearly describe the Rent adjustments and restrictions in this Agreement and clarify that the tenancy is no longer subject to the San Francisco Residential Rent Stabilization and Arbitration Ordinance.

(l) Borrower must have income certified at least 51% of the existing tenants residing on the Site and delivered sufficient evidence to the City that the Project is occupied by households with a combined average income at or below the income requirements of the CDBG Funds by April 15, 2025. For the purposes of this Agreement, Borrower may include any Units

that are vacant as of the Agreement Date in such calculation, using the maximum household income allowable pursuant to Exhibit A for each such vacant Unit.

(m) Borrower must have received MOHCD approval of its Property Management Plan for the Project.

(n) Borrower must establish or cause to be established a segregated interest-bearing replacement reserve depository account for the Project (the "Replacement Reserve Account").

(o) Borrower must establish or cause to be established a segregated interest-bearing operating reserve depository account for the Project (the "Operating Reserve Account").

(p) Borrower must establish or cause to be established a segregated interest-bearing vacancy reserve depository account for the Project (the "Vacancy Reserve Account").

(q) Borrower must provide an evaluation and plan for the income potential of the Commercial Space to MOHCD for its review and approval.

4.4 Disbursement of Funds. Following satisfaction of the conditions in **Section 4.3**, the City will authorize the Escrow Agent to disburse Funds for permanent financing for the Project, as provided in the City's escrow instructions.

4.5 Disbursements. The City's obligation to approve any expenditure of Funds after the Loan closing is subject to Borrower's satisfaction of the following conditions precedent.

(a) Borrower must have delivered to the City an Expenditure Request in form and substance satisfactory to the City, together with: (i) copies of invoices, contracts or other documents covering all amounts requested; (ii) a line item breakdown of costs to be covered by the Expenditure Request; and (iii) copies of checks issued to pay expenses covered in the previous Expenditure Request. The City may grant or withhold its approval of any line item contained in the Expenditure Request that, if funded, would cause it to exceed the budgeted line item as previously approved by the City. Additionally, the City must approve all requested reallocations of Funds for line items previously approved by the City.

(b) No Event of Default, or event that with notice or the passage of time or both could constitute an Event of Default, may have occurred that remains uncured as of the date of the Expenditure Request.

(c) With respect to any Expenditure Request that covers rehabilitation or construction costs, Borrower must have certified to the City that the Project complies with the labor standards set forth in **Exhibit E, Section 1**, if applicable.

(d) The Loan must be in balance.

(e) With respect to any Expenditure Request that covers travel expenses, Borrower's travel expenses will be reasonable and will comply with the following:

(i) Lodging, meals and incidental expenses will not exceed the then-current per diem rates set forth by the United States General Services Administration for the County of San Francisco found at: <https://www.gsa.gov/portal/category/104711>.

(ii) Air transportation expenses will use fares for coach-class accommodations, provided that purchases for air travel will occur no less than one week before the travel day.

(iii) If ground transportation is required, the City urges the use of public transit or courtesy shuttles if provided by a lodging. If courtesy transportation is not provided by a lodging, ground transportation expenses for travel to or from regional airports will not exceed Fifty Dollars (\$50.00) each way. Other ground transportation expenses will not exceed then-current San Francisco taxi rates found at: <https://www.sfmta.com/getting-around/taxi/taxi-rates>. Ground transportation will not include any expenses for luxury transportation services, such as a limousine, or any expenses related to travel to or from Project site meetings by Borrower's employees.

(iv) Miscellaneous travel expenses will not exceed Fifty Dollars (\$50.00) without prior written approval of the City.

(v) Any Expenditure Request for travel expenses will include supporting documentation, including, without limitation, original itemized receipts showing rates and cost, air travel itinerary, proof of payment, and any written justification requested by the City.

For the purpose of this Section, the terms "lodging," "meals" and "incidental expenses" will have the same meanings defined in 41 CFR Part 300-3; the term "coach-class" will have the same meaning defined in 41 CFR Part 301-10.121(a); and the term "miscellaneous" means copying services, printing services, communication services, or other services reasonably related to travel for the Project and approved by the City.

4.6 Loan In Balance. The City may require Borrower to pay certain costs incurred in connection with the Project from sources of funds other than the Loan at any time the City determines that the Loan is out of balance. When the City is satisfied that the Loan is again in balance, the City will recommence making Disbursements for Expenditure Requests meeting the conditions set forth above.

4.7 Retention. In addition to the other conditions to Disbursements, Borrower acknowledges that the amount of hard costs or tenant improvements costs included in any Expenditure Request associated with rehabilitation or construction, when added to previously approved costs, may not exceed ninety percent (90%) of the approved budgeted costs on a line item basis. The remaining ten percent (10%) of approved budgeted hard costs or tenant improvement costs associated with rehabilitation or construction will be held by the City and/or other Project lenders (the "Retention") and may be released only upon satisfaction of all requirements listed in the Construction Manager's Checklist for Release of Retention as follows:

(a) Early Retention Release. After fifty percent (50%) of the rehabilitation or construction of the Project is complete as determined by the City, Borrower may submit a written request to the City to release up to fifty percent (50%) of the Retention, provided that the following prerequisites have been met: (i) all work required to be performed by all parties for whom the City agrees to release the Retention (the "Early Retention Release Contractors") has been completed in conformance with the terms of the applicable contract documents, the plans and specifications approved by the City and all applicable Laws; (ii) the applicable Early Retention Release Contractors have filed conditional lien waivers satisfactory to the City -; (iii) no liens or stop notices have been filed against the Project and no claims are pending; (iv) the City determines that the contingency is in balance and adequate to complete the Project; (v) the Project is on schedule, and (vi) Expenditure Requests will not exceed 95% of the approved budgeted costs on a line item basis.

(b) Retention Release After Project Completion. Borrower may request disbursement of the remaining percentage amount of the Retention only upon the satisfaction of each of the following conditions, unless otherwise approved in writing by the City: (i) completion of rehabilitation or construction of the Project in accordance with the plans and specifications approved by the City, as evidenced by a certificate of occupancy or equivalent certification provided by the City's Department of Building Inspection, and an architect's or engineer's certificate of completion; (ii) timely recordation of a notice of completion; and (iii) either expiration of the lien period and the absence of any unreleased mechanics' liens or stop notices or recordation of the lien releases of all contractors, subcontractors and suppliers who provided labor or materials for the Project.

4.8 Limitations on Approved Expenditures. The City may refuse to approve any expenditure: (a) during any period in which an event that, with notice or the passage of time or both, would constitute an Event of Default remains uncured, or during the pendency of an uncured Event of Default; or (b) for disapproved, unauthorized or improperly documented expenses. The City is not obligated to approve expenditure of the full Funding Amount unless approved Expenditure Requests support disbursement of the full Funding Amount, and in no event may the aggregate amount of all Funds disbursed to Borrower under this Agreement exceed the Funding Amount.

ARTICLE 5 DEMOLITION, REHABILITATION OR CONSTRUCTION.

5.1 Labor Requirements. Borrower's procurement procedures, contracts, and subcontracts will comply, and where applicable, require its contractors and subcontractors to comply, with the applicable labor requirements under **Exhibit E** of this Agreement, including, but not limited to, the selection of all contractors and professional consultants for the Project and payment of prevailing wage as applicable.

5.2 Plans and Specifications. Before starting any demolition, rehabilitation or construction on the Site, Borrower will deliver to the City, and the City will have reviewed and approved, plans and specifications and the construction contract for the Project entered into between Borrower and Borrower's general contractor and approved by the City (the "Construction Contract"). The plans approved by the City will also be approved by the City and County of San Francisco's Department of Building Inspection (the "Department of Building Inspection") (collectively, the "Approved Plans") prior to the start of any demolition, rehabilitation or construction on the Site. The Approved Plans will be explicitly identified in the Construction Contract. The specifications approved by the City, including the funder requirements and the technical specifications (the "Approved Specifications") will also be explicitly identified in the Construction Contract. The Construction Contract may include funder requirements not otherwise addressed in the Approved Specifications. The Contracting Manual provides further guidance to Borrower regarding the City's policies for the review and approval of plans, specifications, and construction contracts. After completion of the Project, Borrower will retain the Approved Plans as well as "as-built" plans for the Project, the Approved Specifications and the Construction Contract, all of which Borrower will make available to the City upon request.

5.3 Change Orders. Borrower may not approve or permit any change orders to the plans and specifications approved by the City without the City's prior written consent. Borrower will provide adequate and complete justification for analysis of any change order request to the City. The City will provide any questions, comments or requests for additional information to Borrower within five (5) business days of receipt of a change order request. City will review and approve or disapprove of a change order request within ten (10) business days of a complete submission by Borrower. In the event the City fails to approve or disapprove the change order request within such ten (10) business day period, the change order will be deemed approved. Borrower acknowledges that the City's approval of any change order will not constitute an agreement to amend the Table of Sources and Uses or to provide additional Funds for the Project, unless the City agrees in its sole discretion to amend the Table of Sources and Uses or provide additional Funds for that purpose.

5.4 Insurance, Bonds and Security. Before starting any demolition, rehabilitation or construction on the Site, Borrower will deliver to the City insurance endorsements and bonds as described in **Exhibit L**. At all times, Borrower will take prudent measures to ensure the security of the Site.

5.5 Notice to Proceed. No demolition, rehabilitation or construction may commence until Borrower has issued a written notice to proceed with the City's approval.

5.6 Commencement and Completion of Project. Unless otherwise extended in writing by the City, Borrower will: (a) commence rehabilitation by a date no later than September 30, 2025; (b) complete rehabilitation by a date no later than December 31, 2026, in accordance with the plans and specifications approved by the City, as evidenced by a certificate of occupancy or equivalent certification provided by the City's Department of Building Inspection, and an architect's or engineer's certificate of completion (the "Completion Date"); and (c) achieve occupancy of one hundred percent (100%) of the Units by a date no later than June 30, 2027.

5.7 Rehabilitation/Construction Standards. All rehabilitation or construction will be performed in a first class manner, substantially in accordance with final plans and specifications approved by the City and in accordance with all applicable codes.

5.8 Construction Monitoring. During the rehabilitation work on the Site, and in addition to the monitoring and reporting requirements described in Article 10 of this Agreement, Borrower must include the City's construction representative in any meetings between Borrower and Borrower's general contractor. Such meetings shall take place at least monthly.

5.9 Excess Proceeds. Any remaining funds for Project-related hard or soft costs after the Completion Date, including any excess funds in the Project's Vacancy Reserve, will be considered Excess Proceeds. Excess Proceeds will be (a) first, deposited into the Replacement Reserves Account in the amount of the gap in the property tax refund if the Project's property tax refund for the tax years 2024 and 2025 is less than \$283,556, and (b) second, used to pay down the SSP Loan.

ARTICLE 6 MARKETING.

6.1 Marketing and Tenant Selection Plan. Prior to the Loan closing, Borrower must deliver to the City for the City's review and approval an affirmative plan for initial and ongoing marketing of the Units and a written tenant selection procedure for initial and ongoing renting of the Units based on MOHCD's then-current form of marketing and tenant selection plan (the "Marketing and Tenant Selection Plan"), all in compliance with the restrictions set forth in **Exhibit A** and in form and substance acceptable to the City. Borrower must obtain the City's approval of any alterations to the Marketing and Tenant Selection Plan. Borrower must market and rent the Units in the manner set forth in the Marketing and Tenant Selection Plan, as approved by the City. Before marketing any Units, Borrower must provide the City with updated implementation and contact information.

6.2 Affirmative Marketing and Tenant Selection Plan Requirements. Borrower's Marketing and Tenant Selection Plan must address how Borrower intends to market vacant Units and any opportunity for placement on the Waiting List. The Marketing and Tenant Selection Plan shall include as many of the following elements as are appropriate to the Project, as determined by the City:

(a) A reasonable accommodations policy that indicates how Borrower intends to market Units to disabled individuals, including an indication of the types of accessible Units in

the Project, the procedure for applying, and a policy giving disabled individuals a priority in the occupancy of accessible Units.

(b) A plan that satisfies the requirement to give preference in occupying units in accordance with the Operational Rules and the Preferences Ordinance.

(c) A list of local neighborhood newspapers, community-oriented radio stations, on the internet and in other media that are likely to reach low-income households in which the apartments will be advertised. All advertising must display the Equal Housing Opportunity logo.

(d) Copies of draft notices to be sent to neighborhood-based, nonprofit housing corporations and other low-income housing advocacy organizations that maintain waiting lists or make referrals for below-market-rate housing.

(e) Notices to SFHA.

(f) Notices to MOHCD.

(g) To the extent practicable, Borrower must give preference to potential tenants who have been displaced from other units in the City by rehabilitation or construction work financed in whole or part by the City. To implement this requirement, Borrower agrees to give preferential consideration to applications of displaced persons provided to Borrower by the City.

(h) To the extent practicable, without holding Units off the market, the community outreach efforts listed above must take place before advertising vacant Units or open spots on the Waiting List to the general public.

(i) An acknowledgement that, with respect to vacant Units, the marketing elements listed above shall only be implemented if there are no qualified applicants interested or available from the Waiting List.

6.3 Marketing and Tenant Selection Plan & Tenant Screening Criteria Requirements.

(a) Borrower's Marketing and Tenant Selection Plan shall comply with the requirements of the Tenant Selection Plan Policy as set forth in the attached **Exhibit H**. The Marketing and Tenant Selection Plan must be kept on file at the Project at all times.

(b) Borrower's tenant screening criteria must comply with the Tenant Screening Criteria Policy set forth in the attached **Exhibit I**.

6.4 Marketing Records. Borrower must keep records of: (a) activities implementing the Marketing and Tenant Selection Plan; (b) advertisements; and (c) other community outreach efforts.

6.5 Waiting List. Borrower's Marketing and Tenant Selection Plan must contain, at a minimum, policies and criteria that provide for the selection of tenants from a written waiting list that complies with the Marketing and Tenant Selection Plan (the "Waiting List"). The Marketing and Tenant Selection Plan may allow an applicant to refuse an available Unit for good cause without losing standing on the Waiting List but shall limit the number of refusals without cause as approved by the City. Borrower shall update the Waiting List every six months by removing the names of individuals who are no longer interested in, no longer qualify for the Small Sites Program, or have refused a Unit too many times. When the Waiting List includes fewer than 20 households, the Borrower must obtain a new Waiting List by submitting a new Marketing and Tenant Selection Plan to MOHCD and following MOHCD marketing procedures. The current Waiting List and previous Waiting Lists must be kept on file at the Project for three (3) years after a new Waiting List has been created.

ARTICLE 7 AFFORDABILITY AND OTHER LEASING RESTRICTIONS.

7.1 Term of Leasing Restrictions. Borrower acknowledges and agrees that the covenants and other leasing restrictions set forth in this Article will remain in full force and effect for the Compliance Term and survive the prior repayment or other satisfaction of the Loan, termination of this Agreement or reconveyance of the Deeds of Trust; and (b) following the expiration of the Compliance Term with respect to any Unit then occupied by a Qualified Tenant, until the Qualified Tenant voluntarily vacates his/her Unit or is evicted lawfully for just cause.

7.2 Borrower's Covenant; Rent Restrictions.

(a) Borrower covenants to rent all Units (except one Unit reserved for the manager of the Project) at all times to households certified as Qualified Tenants at initial occupancy and at the Rent described in this Agreement. Notwithstanding the foregoing, not less than 80% of the households occupying Units must be income certified as Qualified Tenants by the first anniversary of the Agreement Date, provided that all such households enter into a lease with Borrower in a form approved by City by the Agreement Date. Borrower may include any Units that are vacant as of the first anniversary of the Agreement Date in its calculation of the percentage of Qualified Tenants, using the maximum household income allowable set forth in **Exhibit A** for each such Unit, so long as Borrower rents the Units to Qualified Tenants at such rates. Borrower will rent all Units that are occupied as of the Agreement Date at the initial Rent set forth in **Exhibit A**, as adjusted thereafter in accordance with this **Section 7**.

(b) A Qualified Tenant will remain eligible for their Unit regardless of rises in household income during its tenancy. Qualified Tenants at initial occupancy must pay at least 20% of their gross household income towards Rent unless otherwise approved by MOHCD, provided that in no event shall any Qualified Tenant be required to pay Rent in excess of the lesser of (i) Maximum Rent, or (ii) 20% below the market rents of comparable units as approved by MOHCD, except as provided in **Section 7.3(d)**.

(c) Required Rents for the Units as of the Agreement Date will be as set forth in **Exhibit A**.

(d) After the Agreement Date, the Rent for each Unit that becomes vacant must be approved by MOHCD before the Unit may be rented to a Qualified Tenant. The Rent shall be set at the amount necessary to bring the Project's combined average Rents for all Units as close as is possible to but no higher than the amount calculated as 30% of 80% Median Income. In addition, (i) over 50% of the Units must be occupied by households at or below 80% of area median income as published by HUD, and (ii) no vacant Unit may be filled with a household earning more than 120% Median Income upon initial occupancy.

7.3 Rent Adjustments and Restrictions. In the event of any conflict between this Section 7.3 and MOHCD's "Hold Harmless Policy for MOHCD's Income Limits and Maximum Rents," this Section 7.3 prevails. At all times, over 50% of the Units must be occupied by households at or below 80% of area median income as published by HUD and Rent for such Units may not exceed 30% of 80% of the tenant's household income. Rent for all Units may be increased only once annually. Rent for all Units shall be increased annually by the greater of: (x) the percentage change in annual operating expenses, up to a maximum of 3.5%, or (y) 2%, except as follows:

(a) **Phased Increases.** Increases in Rent for existing Qualified Tenants whose Rent and household income do not meet the requirements of the SSP Guidelines shall be determined after their income certification, which must occur by the first anniversary of the Agreement Date as described in Section 7.2. As described in Section 3.7(c), the Borrower must provide MOHCD with an updated pro forma and rent roll identifying the Units occupied by the existing Qualified Tenants receiving increases in Rent in order to satisfy the SSP Guidelines. Such rent increases and schedule must be approved in writing by MOHCD and shall occur initially on the first anniversary of the Agreement Date and on the specified anniversaries of the Agreement Date. After such phased increases, Rent shall be adjusted as otherwise described in this **Section 7**.

(b) **Severely Rent Burdened Qualified Tenants.** If the Rent increase described in this **Section 7** results in any Qualified Tenant household becoming Severely Rent Burdened, Borrower is not required to increase the Rent of the Severely Rent Burdened Qualified Tenant until such time as the Qualified Tenant is no longer Severely Rent Burdened, provided that: (i) Borrower first demonstrates to the satisfaction of MOHCD, in MOHCD's sole discretion, that the Project maintains short- and long-term financial sustainability in the form of positive cash flow, adequately funded reserves, and other indicators as MOHCD may reasonably request; (ii) at each annual income recertification, the ability of all households to pay required rent increases will be reassessed, as will the Borrower cash flow, to ensure short- and long-term financial sustainability if Borrower elects not to impose the required annual Rent increase for any Severely Rent Burdened Qualified Tenant; and (iii) all Regulatory Obligations continue to be met. Similarly, if the circumstances described in this subsection are met, a Unit becomes vacant and a Qualified Tenant demonstrates to Borrower that it is Severely Rent Burdened, Borrower may reduce such Qualified Tenant's Rent to a level no lower than 40% of that Qualified Tenant's gross monthly income, thus resulting in a higher Rent that will be required for the vacant Unit. If more than one Qualified Tenant is eligible for such a Rent reduction, the reduction shall be equally distributed among such eligible Qualified Tenants.

(c) Recovery of Project Expenses. With the City's prior written approval, Rent increases for Units exceeding the amounts permitted under Section 7.3 may be permitted once annually in order to recover increases in approved Project Expenses, provided that: (i) in no event may annual Rent increases exceed the maximum annual increase stated in the SSP Guidelines, unless such an increase is contemplated in a City-approved temporary relocation plan or is necessary due to the expiration of Section 8 or other rental subsidies; and (ii) Rents for each Unit may in no event exceed the lesser of (x) Maximum Rent, (y) 20% below the market rents of comparable units as approved by MOHCD or (z) 30% of 80% of area median income as published by HUD. The City's approval for such Rent increases under this subsection shall not be unreasonably withheld.

(d) Rent Subsidy Programs. For those households that hold rent subsidy vouchers, such as Section 8, on an annual basis Borrower shall request and use best efforts to receive an increase in contract rent equivalent to the percentage change in Fair Market Rent or equivalent payment standard, whichever is greater. For any Qualified Tenant participating in a rent or operating subsidy program where the rent charged is calculated as a percentage of household income, adjustments to Rent charged may be made according to the rules of the relevant subsidy program, and provided the Qualified Tenant paid portion of Rent does not exceed the lesser of (i) Maximum Rent or (ii) 20% below the market rents of comparable units as approved by MOHCD. For any Qualified Tenant that becomes ineligible to continue participating in a rent or operating subsidy program, rental increases shall not exceed Maximum Rent as approved by MOHCD or 50% of household income, whichever is less.

(e) Recovery of Property Tax Increases. In addition to the Rent increases contemplated in this **Section 7** and with the City's prior written approval, if a Qualified Tenant's household income exceeds eighty percent (80%) of California Median Income (as published by the California Department of Housing and Community Development) during occupancy of a Unit or if a Qualified Tenant fails to certify or recertify its household income to Borrower on an annual basis, Borrower may adjust the charges for Rent for such Qualified Tenant by no more than the maximum annual increase stated in the SSP Guidelines to absorb the amount of property taxes attributable to the Qualified Tenant's Unit as a result of the loss of the State of California's welfare exemption for low-income housing properties. The City may, in its sole discretion, require that Rent increases allowed under this subsection be implemented over a period of time in order to reduce the burden on an existing Qualified Tenant. Rents charged under this subsection may not exceed the limits set forth in the SSP Guidelines, or if not otherwise specified, the lesser of: (i) Maximum Rent; or (ii) 20% of a household's gross income. MOHCD must approve such Rent increases, which approval shall not be unreasonably withheld. If such Qualified Tenant's household income subsequently decreases and the Unit becomes eligible for the California welfare property tax exemption, Borrower may reduce such Qualified Tenant's Rent by the amount of property tax savings attributable to the Qualified Tenant's Unit.

(f) Excess Rent. If Borrower increases Rents or offers a vacant Unit for rent at a rate that exceeds the rules described in this Agreement, the resulting excess cash flow will be paid by Borrower to the Qualified Tenants who were overcharged, and Borrower's actions will constitute an Event of Default pursuant to **Section 19**.

7.4 Certification.

(a) As a condition to initial occupancy, each person who desires to be a Qualified Tenant in the Project must be required to sign and deliver to Borrower a certification in the form shown in **Exhibit C** in which the prospective Qualified Tenant certifies that he/she or his/her household qualifies as a Qualified Tenant and which certification is reviewed and approved by Borrower and the City. In addition, each person must provide any other information, documents or certifications deemed necessary by the City to substantiate the prospective Qualified Tenant's income. Certifications provided to and accepted by the SFHA will satisfy this requirement.

(b) Each Qualified Tenant in the Project must recertify its household income to Borrower as established by the SSP Guidelines and the Procedures Manual.

(c) Income certifications with respect to each Qualified Tenant who resides in a Unit or resided therein during the immediately preceding calendar year must be maintained on file at Borrower's principal office, and Borrower must file or cause to be filed copies thereof with the City promptly upon request by the City.

7.5 Form of Lease. The form of lease for Qualified Tenants must provide for termination of the lease and consent to immediate eviction for failure to qualify as a Qualified Tenant if the Qualified Tenant has made any material misrepresentation in the initial income certification.

7.6 Nondiscrimination. Borrower agrees not to discriminate against or permit discrimination against any person or group of persons because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability, gender identity, height, weight, source of income or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC) in the operation and use of the Project except to the extent permitted by law or required by any other funding source for the Project. Borrower agrees not to discriminate against or permit discrimination against Qualified Tenants using Section 8 certificates or vouchers or assistance through other rental subsidy programs.

7.7 Security Deposits. Security deposits may be required of tenants only in accordance with applicable federal regulations, state law and this Agreement. Any security deposits collected must be segregated from all other funds of the Project in an Account held in trust for the benefit of the tenants and disbursed in accordance with California law. The balance in the trust account must at all times equal or exceed the aggregate of all security deposits collected plus accrued interest thereon, less any security deposits returned to tenants.

7.8 Commercial Space. All leases of Commercial Space must be to a bona fide third party tenant capable of performing its financial obligations under its lease, which must reflect arms'-length transactions at the then-current market rental rates for comparable space, *provided that*, leases for Public Benefit Purposes may be at below-market rates so long as the sum of Project Income and Commercial Income meets approved cash flow requirements for the Project. Allowed uses of Commercial Space must be consistent with all applicable development plans and local planning and building codes and be reasonably compatible with the design and purpose of the Project. If a lease of Commercial Space does not restrict its use to Public Benefit Purposes, all Surplus Cash generated from the lease shall (a) then be directed toward repayment of the Loan; or (b) be used for a Public Benefit Purpose. All Surplus Cash shall be subject to the MOHCD Policy on the Use of Residual Receipts.

7.9 Other Requirements. Borrower must meet the fair lease and tenant participation program requirements under 24 CFR § 92.303.

ARTICLE 8 MAINTENANCE AND MANAGEMENT OF THE PROJECT.

8.1 Borrower's Responsibilities.

(a) Subject to the rights set forth in **Section 8.2**, Borrower will be specifically and solely responsible for causing all maintenance, repair and management functions performed in connection with the Project, including selection of tenants, recertification of income and household size, evictions, collection of rents, routine and extraordinary repairs and replacement of capital items. Borrower must maintain or cause to be maintained the Project, including the Units and common areas, in a safe and sanitary manner in accordance with local health, building and housing codes, California Health and Safety Code 17920.10 and any applicable provisions of 24 CFR Part 35, and all applicable federal requirements.

8.2 Contracting With Management Agent.

(a) Borrower may contract or permit contracting with a management agent for the performance of the services or duties required in **Section 8.1(a)**, subject to the City's prior written approval of both the management agent and, at the City's discretion, the management contract between Borrower and the management agent, *provided, however*, that the arrangement will not relieve Borrower of responsibility for performance of those duties. Any management contract must contain a provision allowing Borrower to terminate the contract without penalty upon no more than thirty (30) days' notice. As of the Agreement Date, the City has approved Tenderloin Neighborhood Development Corporation as Borrower's management agent, subject to approval of the management contract.

(b) The City will provide written notice to Borrower of any determination that the contractor performing the functions required in **Section 8.1(a)** has failed to operate and manage the Project in accordance with this Agreement. If the contractor has not cured the failure within a reasonable time period, as determined by the City, Borrower must exercise its right of

termination immediately and make immediate arrangements for continuous and continuing performance of the functions required in **Section 8.1(a)**, subject to the City's approval.

8.3 Borrower Management. Borrower may manage the Project itself only with the City's prior written approval. The City will provide written notice to Borrower of any determination that Borrower has failed to operate and manage the Project in accordance with this Agreement, in which case, the City may require Borrower to contract or cause contracting with a management agent to operate the Project, or to make other arrangements the City deems necessary to ensure performance of the functions required in **Section 8.1(a)**.

ARTICLE 9 GOVERNMENTAL REQUIREMENTS.

9.1 Borrower Compliance. Borrower must comply, and where applicable, require its contractors to comply, with all applicable Laws governing the use of Funds for the construction, rehabilitation and/or operation of the Project, including those set forth in **Exhibit E**. Borrower acknowledges that its failure to comply with any of these requirements will constitute an Event of Default under this Agreement. Subject to **Section 23.1**, this Section does not prohibit Borrower from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

9.2 Additional Federal Requirements. The following provision shall apply as long as Federal Funds are used to finance the Project.

(a) Compliance With Laws Borrower agrees to abide by all applicable Laws, including HUD regulations, pertaining to this Agreement and to any contracts pertaining to the Project. In the event HUD formally amends, waives or repeals any HUD administrative regulation previously applicable to Borrower's performance under this Agreement, MOHCD expressly reserves the right, upon giving notice to HUD and Borrower, to require Borrower's performance as though the regulation were not amended, waived or repealed, subject only to written and binding objection by HUD. Borrower further acknowledges that the City may impose more stringent requirements with regard to affordability restrictions than those required by HUD and agrees to comply with the City's requirements as set forth in this Agreement.

(b) Drug-Free Workplace Borrower acknowledges that under the Federal Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 701 *et seq.*), the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited on its premises. Borrower agrees that any violation of this prohibition by Borrower, its employees, agents or assigns will be deemed an Event of Default under this Agreement.

(c) Restrictions on Lobbying Activities

(i) This Agreement is subject to 31 U.S.C. Section 1352, which provides in part that, with specified exceptions, no appropriated funds may be expended by the recipient of a federal contract, grant, loan or cooperative agreement to pay any person for influencing, or attempting to influence, an officer or employee of any agency, a member of

Congress, an officer or employee of Congress or an employee of a member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

(ii) If the Funding Amount exceeds \$100,000, Borrower must file with MOHCD at the beginning of the Compliance Term and promptly after the occurrence of any change in the facts certified or disclosed:

(A) a certification substantially the same as that attached hereto as **Exhibit F**, and otherwise, in form and content satisfactory to the City and to HUD, that Borrower, its employees, officers and agents have not made, and will not make, any payment prohibited by **Subsection (i)** above; and

(B) a disclosure form, Federal Standard Form-LLL, "Disclosure of Lobbying Activities," if Borrower, its employees, officers or agents have made or agreed to make any payment using funds from a source other than the Funds that would be prohibited under **Subsection (i)** above if payment were made with Funds. The City will file the disclosure form with HUD and retain the certification for the City's records as required by Law.

(d) Debarment or Suspension. Borrower must certify in form and content substantially the same as that attached hereto as **Exhibit F** that neither it nor any of its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the Funds on the Agreement Date. In addition, Borrower will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of \$100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities in addition to obtaining the certification of each contractor or subcontractor whose bid is accepted.

(e) Single Audit. If Borrower cumulatively expends \$750,000.00 or more in Federal Funds during Borrower's fiscal year, Borrower must conduct a single audit or program-specific audit by an independent auditor in accordance with OMB Uniform Guidance requirements in 2 CFR part 200 subpart F (§200.500 *et seq.*), as it may be amended from time to time ("Single Audit"). Borrower must submit a copy of the Single Audit report to MOHCD within nine (9) months after the end of Borrower's fiscal year or thirty (30) days after receiving the Single Audit report from the auditor.

(f) Other HUD Requirements The following federal requirements are applicable to all activities funded under this Agreement:

(i) the requirements of the "Uniform Administrative Requirements, Cost Principles, and Audit Requirements For Federal Awards," 2 CFR part 200, relating to allowable costs chargeable to the Funds and contractual requirements for nonprofit organizations, as applicable; and

(ii) the provisions of 2 CFR part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements For Federal Awards," and 24 CFR part 570, "Community Development Block Grants;" and

(iii) all requirements applicable to CHDOs, as described at 24 CFR part 92, specifically subpart G, "Community Housing and Development Organizations," and the definition of CHDO at 24 CFR Section 92.2, and as described in HUD-CPD Notice 97-11, "Guidance on Community Housing Development Organizations under the HOME Program."

ARTICLE 10 PROJECT MONITORING, REPORTS, BOOKS AND RECORDS.

10.1 Generally.

(a) Borrower understands and agrees that it will be monitored by the City from time to time to assure compliance with all terms and conditions in this Agreement and all Laws. Borrower acknowledges that the City may also conduct periodic on-site inspections of the Project. Borrower must cooperate with the monitoring by the City and ensure full access to the Project and all information related to the Project as reasonably required by the City.

(b) Borrower must keep and maintain books, records and other documents relating to the receipt and use of all Funds, including all documents evidencing any Project Income and Project Expenses. Borrower must maintain records of all income, expenditures, assets, liabilities, contracts, operations, tenant eligibility and condition of the Project. All financial reports must be prepared and maintained in accordance with GAAP as in effect at the time of performance.

(c) Borrower must provide written notice of the replacement of its executive director, director of housing development, director of property management and/or any equivalent position within thirty (30) days after the effective date of such replacement.

10.2 Monthly Reporting. Borrower will submit monthly reports (the "MOHCD Monthly Project Update") describing progress toward developing the Project with respect to obtaining necessary approvals from other City departments, procuring architects, consultants and contractors, changes in scope, cost or schedule and significant milestones achieved in the past month and expected to be achieved in the coming month. The MOHCD Monthly Project Update will be submitted by email in substantially the form requested by MOHCD until such time as the Project Completion Report is submitted to the City pursuant to **Section 10.5** below.

10.3 Annual Reporting. Borrower must file with the City annual report forms (the "Annual Monitoring Report") that include audited financial statements with an income and expense statement for the Project covering the applicable reporting period, a statement of balances, deposits and withdrawals from all Accounts, line item statements of Project Expenses, Project Income, Residual Receipts and any Distributions made, evidence of required insurance, a description of marketing activities and a rent roll, no later than one hundred fifty (150) days after

the end of Borrower's fiscal year. The Annual Monitoring Report must be in substantially the form provided by MOHCD, as may be amended from time to time.

10.4 Capital Needs Assessment. Borrower must deliver to MOHCD an updated CNA every five (5) years after the Agreement Date for approval, or as required by MOHCD's CNA Policy as amended from time to time. The updated CNA must include an analysis of Borrower's actual expenditures for capital needs compared to the most recently approved CNA, Borrower's 20-Year Proforma and initial Annual Operating Budget and its then-current Annual Operating Budget.

10.5 Project Completion Report. Within the specific time periods set forth below after the completion of rehabilitation or construction, the lease-up and/or permanent financing of the Project, as applicable, Borrower must provide to the City the reports listed below certified by Borrower to be complete and accurate. Subsequent to the required submission of the reports listed below, Borrower shall provide to the City information or documents reasonably requested by the City to assist in the City's review and analysis of the submitted reports:

(a) within one hundred-eighty (180) days after the Completion Date, a report on compliance with the applicable requirements under Section 5.1 of this Agreement, including the type of work and the dollar value of such work; and

(b) within ninety (90) days after the Completion Date, a report demonstrating compliance with all requirements regarding relocation, including the names of all individuals or businesses occupying the Site on the date of the submission of the application for Funds, those moving in after that date, and those occupying the Site upon completion of the Project.

10.6 Response to Inquiries. At the request of the City, its agents, employees or attorneys, Borrower must respond promptly and specifically to questions relating to the income, expenditures, assets, liabilities, contracts, operations and condition of the Project, the status of any mortgage encumbering the Project and any other requested information with respect to Borrower or the Project.

10.7 Delivery of Records. At the request of the City, made through its agents, employees, officers or attorneys, Borrower must provide the City with copies of each of the following documents, certified in writing by Borrower to be complete and accurate:

(a) all tax returns filed with the United States Internal Revenue Service, the California Franchise Tax Board and/or the California State Board of Equalization on behalf of Borrower and any general partner or manager of Borrower;

(b) all certified financial statements of Borrower and, if applicable, its general partner or manager, the accuracy of which must be certified by an auditor satisfactory to the City; and

(c) any other records related to Borrower's ownership structure and the use and occupancy of the Site.

10.8 Access to the Project and Other Project Books and Records. In addition to Borrower's obligations under **Sections 2.4, 10.1, 10.3, 10.4, 10.6 and 10.7** and any other obligations to provide reports or maintain records in any City Document, Borrower agrees that duly authorized representatives of the City will have: (a) access to the Project throughout the Compliance Term to monitor the progress of work on the Project and compliance by Borrower with the terms of this Agreement; and (b) access to and the right to inspect, copy, audit and examine all books, records and other documents Borrower is required to keep at all reasonable times, following reasonable notice, for the retention period required under **Section 10.9**

10.9 Records Retention. Borrower must retain all records required for the periods required under applicable Laws.

ARTICLE 11 USE OF INCOME FROM OPERATIONS.

11.1 Project Operating Account.

(a) Borrower must deposit all Project Income promptly after receipt into a segregated depository account (the "Project Operating Account") established exclusively for the Project. Withdrawals from the Project Operating Account may be made only in accordance with the provisions of this Agreement and the approved Annual Operating Budget, as it may be revised from time to time with the City's approval. Borrower may make withdrawals from the Project Operating Account solely for the payment of Project Expenses. Withdrawals from the Project Operating Account (including accrued interest) for other purposes may be made only with the City's express prior written approval.

(b) Borrower must keep accurate records indicating the amount of Project Income deposited into and withdrawn from the Project Operating Account and the use of Project Income. Borrower must provide copies of the records to the City upon request.

ARTICLE 12 REQUIRED RESERVES.

12.1 Replacement Reserve Account.

(a) Prior to the closing of the Loan, or any other date the City designates in writing, Borrower must establish or cause to be established a segregated interest-bearing replacement reserve depository account (the "Replacement Reserve Account"). On or before the 15th day of each third month following establishment of the Replacement Reserve Account, Borrower must make quarterly deposits from Project Income into the Replacement Reserve Account in the amount necessary to meet the requirements of this Section. The City may review the adequacy of deposits to the Replacement Reserve Account periodically and require adjustments as it deems necessary.

(b) Borrower must make an initial deposit into the Replacement Reserve Account in an amount equal to Two Hundred Thirty Six Thousand and No/100 Dollars (\$236,000.00). Thereafter, annual deposits must equal the higher of (i) the amount needed under Borrower's approved Capital Needs Assessment (CNA), or (ii) \$32,400. Borrower may request adjustments every five (5) years based on its most recently approved CNA.

(c) Borrower must deposit any refund from the City's Treasurer's Office or Assessor-Recorder's Office of property taxes paid by Borrower related to the Site into the Replacement Reserve Account.

(d) In addition, if at any time the balance of the Replacement Reserve Account is below one and a half (1.5) times the original capitalized replacement reserve balance set forth in Section 12.1(b) above, Borrower shall deposit into the Replacement Reserve Account the funds that would otherwise be allocated to the City's share of Residual Receipts until it reaches that amount. Any Residual Receipts remaining above that amount shall be paid to the City in accordance with the Notes.

(e) Borrower may withdraw funds from the Replacement Reserve Account solely to fund capital improvements for the Project, such as replacing or repairing structural elements, furniture, fixtures or equipment of the Project that are reasonably required to preserve the Project. Borrower may not withdraw funds (including any accrued interest) from the Replacement Reserve Account for any other purpose without the City's prior written approval.

12.2 Operating Reserve Account.

(a) Prior to the closing of the Loan, or any other date the City designates in writing, Borrower must establish or cause to be established a segregated interest-bearing operating reserve depository account (the "Operating Reserve Account") by depositing funds in an amount equal to Six Hundred Ten Thousand Two Hundred and One and No/100 Dollars (\$610,201.00). The City may review the adequacy of deposits to the Operating Reserve Account periodically and require adjustments as it deems necessary.

(b) No less than annually after establishing the Operating Reserve Account and continuing until the Compliance Term has expired, Borrower must make additional deposits, if necessary, to bring the balance in the Operating Reserve Account to an amount equal to twenty-five percent (25%) of the prior year's actual Project Expenses.

(c) Borrower may withdraw funds from the Operating Reserve Account solely to alleviate cash shortages resulting from unanticipated and unusually high maintenance expenses, seasonal fluctuations in utility costs, abnormally high vacancies and other expenses that vary seasonally or from month to month in the Project. Borrower may not withdraw funds (including any accrued interest) from the Operating Reserve Account for any other purpose without the City's prior written approval.

12.3 Other Reserve Requirements. Proceeds of the Loan shall fund a "Vacancy Reserve" in the amount of Seven Hundred Fifty-Seven One Hundred Twenty-Five and No/100 Dollars (\$757,125.00) to cover lost monthly rental income during the rehabilitation of the Project. The Vacancy Reserve will be held by the City and its funds will be released through MOHCD's standard draw process. Borrower may request reimbursement from the Vacancy Reserve solely in amounts equivalent to what the Rent for the Units that are vacant due to the Project rehabilitation. Any funds remaining in the Vacancy Reserve on the Completion Date will be considered Excess Proceeds in accordance with Section 5.9.

ARTICLE 13 DISTRIBUTIONS.

13.1 Definition. "Distributions" refers to cash or other benefits received as Project Income from the operation of the Project and available to be distributed to Borrower or any party having a beneficial interest in the Project, but does not include reasonable payments for property management, asset management or other services performed in connection with the Project. Distributions must be used for activities in San Francisco that would be eligible uses of Project Income under program regulations for the CDBG Program.

13.2 Conditions to Distributions. The 20-Year Cash Flow Proforma attached hereto as Exhibit B-2 includes projections of annual Distributions. Exhibit B-2 is not intended to impose limits on the amounts to be annually distributed. Distributions for a particular fiscal year may be made only following: (a) City approval of the Annual Monitoring Report submitted for that year; (b) the City's determination that Borrower is not in default under this Agreement or any other agreement entered into with the City and County of San Francisco or the City for the Project; and (c) the City's determination that the amount of the proposed Distribution satisfies the conditions of this Agreement. The City will be deemed to have approved Borrower's written request for approval of a proposed Distribution unless the City delivers its disapproval or request for more information to Borrower within thirty (30) business days after the City's receipt of the request for approval.

13.3 Prohibited Distributions. No Distribution may be made in the following circumstances:

(a) when a written notice of default has been issued by any entity with an equitable or beneficial interest in the Project and the default is not cured within the applicable cure periods; or

(b) when the City determines that Borrower or Borrower's management agent has failed to comply with this Agreement; or

(c) if required debt service on all loans secured by the Project and all operating expenses have not been paid current; or

(d) if the Replacement Reserve Account, Operating Reserve Account or any other reserve account required for the Project is not fully funded under this Agreement; or

(e) if the Loan is to be repaid from Residual Receipts, Borrower failed to make a payment when due on a Payment Date and the sum remains unpaid; or

(f) during the pendency of an uncured Event of Default (including Borrower's failure to provide its own funds at any time the City determines the Loans are out of balance) under any City Document.

13.4 Borrower's Use of Residual Receipts for Development. To the extent that making a Distribution is not inconsistent with any other financing agreement for the Project, and subject to the limitations in this Article, with the City's prior written approval, Borrower may retain a portion of Residual Receipts in lieu of using them to repay the Loan in an amount consistent with the Residual Receipts Policy attached hereto as Exhibit K. Borrower acknowledges that the City may withhold its consent to a Distribution in any year in which Residual Receipts are insufficient to meet Borrower's payment obligations under the Notes.

ARTICLE 14 SYNDICATION PROCEEDS.

14.1 Distribution and Use. If Borrower is a limited partnership or limited liability company, and unless otherwise approved by the City in writing, Borrower must allocate, distribute and pay or cause to be allocated, distributed and paid all net syndication proceeds and all loan and grant funds as specified in the Table. Borrower must notify the City of the receipt and disposition of any net syndication proceeds received by Borrower during the term of this Agreement.

ARTICLE 15 DEVELOPER FEES.

15.1 Amount. Borrower is entitled to receive fees from the Loan in a total amount not to exceed One Million One Hundred Eighty Five Thousand Dollars (\$1,185,000) for developing the Project ("Developer Fees"), payable as described in **Section 15.2**.

15.2 Payment Schedule.

(a) Acquisition. Borrower is entitled to receive a portion of the Developer Fees from the Loan in the amount of One Hundred Five Thousand and No/100 Dollars (\$105,000.00) upon close of the Loan and Borrower's acquisition of the Site.

(b) Project Completion. Borrower shall receive an additional portion of the Developer Fees once 75% of the Units that are vacant on the Completion Date are occupied by Qualified Tenants. The additional portion of the Developer Fees shall be the lower of: (i) One Million Eighty Thousand and No/100 Dollars (\$1,080,000), or (ii) the remaining amount of the Funding Amount after payment of all costs and expenses described in Exhibit B-1. In its sole discretion, MOHCD may withhold the portion of Developer Fees payable to Borrower on the Completion Date by the amount of any

development costs incurred in connection with the Project that exceed the Project's projected \$50,600,000 total development costs, up to \$1,080,000.

(c) From Residual Receipts. Subject to **Section 12.1(c)**, if any Developer Fees remain unpaid after Completion excluding any portion of the Developer Fees withheld by MOHCD pursuant to **Section 5.2(a)**, 50% of Residual Receipts shall be retained by Borrower in payment of its remaining unpaid Developer Fees and 50% of Residual Receipts shall be used to repay the Loan, until such time as the full remaining unpaid Developer Fees is paid.

(d) From Refinancing Proceeds. If any Developer Fees remain unpaid at the time Borrower refinances the Project, the remaining unpaid fee may be paid out of the proceeds from the refinancing of the Project.

ARTICLE 16 TRANSFERS.

16.1 Permitted Transfers/Consent. Borrower may not cause or permit any voluntary transfer, assignment or encumbrance of all or any portion of its interest in the Site or Project or of any ownership interests in Borrower, or lease or permit a sublease on all or any part of the Project, other than: (a) leases, subleases or occupancy agreements to occupants of Units; and (b) leases, subleases, or occupancy agreements for the Commercial Space with City's prior approval; (c) security interests for the benefit of lenders securing loans for the Project as approved by the City on terms and in amounts as approved by City in its reasonable discretion; (c) transfers from Borrower to a limited partnership or limited liability company, where Borrower or an affiliated entity is a general partner or manager of that entity or is the manager of a limited liability company that is a general partner or manager of that entity; (d) transfer of any limited partnership or membership interest in Borrower to any entity approved in advance by the City; (e) the grant or exercise of the purchase option pursuant to the Purchase Option; or (f) the grant of easements in favor of any utility, internet, or cable provider. Any other transfer, assignment, encumbrance or lease without the City's prior written consent will be voidable and, at the City's election, constitute an Event of Default under this Agreement. The City's consent to any specific assignment, encumbrance, lease or other transfer will not constitute its consent to any subsequent transfer or a waiver of any of the City's rights under this Agreement.

ARTICLE 17 INSURANCE AND BONDS.

17.1 Borrower's Insurance. Subject to approval by the City's Risk Manager of the insurers and policy forms, Borrower must obtain and maintain, or cause to be obtained and maintained, insurance and bonds as set forth in **Exhibit L** throughout the Compliance Term of this Agreement at no expense to the City.

ARTICLE 18 GOVERNMENTAL APPROVALS.

18.1 Compliance. Borrower covenants that it has obtained or will obtain in a timely manner and comply with all federal, state and local governmental approvals required by Law to be obtained for the Project. Subject to **Section 23.1**, this Section does not prohibit Borrower from contesting any interpretation or application of Laws in good faith and by appropriate proceedings.

ARTICLE 19 DEFAULT.

19.1 Event of Default. Any material breach by Borrower of any covenant, agreement, provision or warranty contained in this Agreement or in any of the City Documents that remains uncured upon the expiration of any applicable notice and cure periods contained in any City Document will constitute an "Event of Default," including the following:

(a) Borrower fails to make any payment required under this Agreement within ten (10) days after the date when due; or

(b) Any lien is recorded against all or any part of the Site or the Project without the City's prior written consent, whether prior or subordinate to the lien of the SSP Deed of Trust, the PASS Deed of Trust, or the Declaration of Restrictions, and the lien is not removed from title or otherwise remedied to the City's satisfaction within thirty (30) days after Borrower's receipt of written notice from the City to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by the City, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(c) Borrower fails to perform or observe any other term, covenant or agreement contained in any City Document, and the failure continues for thirty (30) days after Borrower's receipt of written notice from the City to cure the default, or, if the default cannot be cured within a 30-day period, Borrower will have sixty (60) days to cure the default, or any longer period of time deemed necessary by the City, *provided that* Borrower commences to cure the default within the 30-day period and diligently pursues the cure to completion; or

(d) Any representation or warranty made by Borrower in any City Document proves to have been incorrect in any material respect when made; or

(e) All or a substantial or material portion of the improvements on the Site is damaged or destroyed by fire or other casualty, and the City has determined upon restoration or repair that the security of the SSP Deed of Trust or the PASS Deed of Trust has been impaired or that the repair, restoration or replacement of the improvements in accordance with the requirements of the SSP Deed of Trust and PASS Deed of Trust is not economically practicable or is not completed within two (2) years of the receipt of insurance proceeds; or all or a substantial or material portion of the improvements is condemned, seized or appropriated by any non-City Governmental Agency or subject to any action or other proceeding instituted by any

non-City Governmental Agency for any purpose with the result that the improvements cannot be operated for their intended purpose; or

(f) Borrower is dissolved or liquidated or merged with or into any other entity; or, if Borrower is a corporation, partnership, limited liability company or trust, Borrower ceases to exist in its present form and (where applicable) in good standing and duly qualified under the laws of the jurisdiction of formation and California for any period of more than ten (10) days; or, if Borrower is an individual, Borrower dies or becomes incapacitated; or all or substantially all of the assets of Borrower are sold or otherwise transferred except as permitted under **Section 16.1**; or

(g) Without the City's prior written consent, Borrower assigns or attempts to assign any rights or interest under any City Document, whether voluntarily or involuntarily, except as permitted under **Section 16.1**; or

(h) Without the City's prior written consent, Borrower voluntarily or involuntarily assigns or attempts to sell, lease, assign, encumber or otherwise transfer all or any portion of the ownership interests in Borrower or of its right, title or interest in the Project or the Site except as permitted under **Article 16**; or

(i) Without the City's prior written consent, Borrower transfers, or authorizes the transfer of, funds in any Account required or authorized under this Agreement; or

(j) The SSP Deed of Trust, the PASS Deed of Trust, or the Declaration of Restrictions ceases to constitute a valid and indefeasible perfected lien on the Site and improvements, subject only to Permitted Exceptions; or

(k) Borrower is subject to an order for relief by the bankruptcy court, or is unable or admits in writing its inability to pay its debts as they mature or makes an assignment for the benefit of creditors; or Borrower applies for or consents to the appointment of any receiver, trustee or similar official for Borrower or for all or any part of its property (or an appointment is made without its consent and the appointment continues undischarged and unstayed for sixty (60) days); or Borrower institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation or similar proceeding relating to Borrower or to all or any part of its property under the laws of any jurisdiction (or a proceeding is instituted without its consent and continues undismissed and unstayed for more than sixty (60) days); or any judgment, writ, warrant of attachment or execution or similar process is issued or levied against the Site, the improvements or any other property of Borrower and is not released, vacated or fully bonded within sixty (60) days after its issue or levy; or

(l) Any material adverse change occurs in the financial condition or operations of Borrower, such as a loss of services funding or rental subsidies, that has a material adverse impact on the Project; or

(m) Borrower fails to make any payments or disbursements required to bring the Loan in balance after the City determines that the Loan is out of balance; or

(n) Borrower ceases rehabilitation or construction of the Project for a period of fifteen (15) consecutive working days, and the cessation is not excused under **Section 19.3**; or

(o) Borrower is in default of its obligations with respect to any funding obligation (other than the Loan) for the Project, and the default remains uncured following the expiration of any applicable cure periods; or

(p) Borrower is in default of its obligations under any other agreement entered into with the City and County of San Francisco, and the default remains uncured following the expiration of any applicable cure periods.

19.2 Remedies. During the pendency of an uncured Event of Default, the City may exercise any right or remedy available under this Agreement or any other City Document or at law or in equity. All of the City's rights and remedies following an Event of Default are cumulative, including:

(a) The City at its option may declare the unpaid principal balance of the Notes, together with default interest as provided in the Notes and any other charges due under the Notes and the other City Documents, immediately due and payable without protest, presentment, notice of dishonor, demand or further notice of any kind, all of which Borrower expressly waives.

(b) The City at its option may terminate all commitments to make Disbursements or to release the Site from the SSP Deed of Trust, the PASS Deed of Trust, or the Declaration of Restrictions, or, without waiving the Event of Default, the City may determine to make further Disbursements or to release all or any part of the Site from the SSP Deed of Trust, the PASS Deed of Trust, or the Declaration of Restrictions upon terms and conditions satisfactory to the City in its sole discretion.

(c) The City may perform any of Borrower's obligations in any manner, in the City's reasonable discretion.

(d) The City, either directly or through an agent or court-appointed receiver, may take possession of the Project and enter into contracts and take any other action the City deems appropriate to complete or construct all or any part of the improvements, subject to modifications and changes in the Project the City deems appropriate.

(e) The City may apply to any court of competent jurisdiction for specific performance, or an injunction against any violation, of this Agreement or for any other remedies or actions necessary or desirable to correct Borrower's noncompliance with this Agreement.

(f) Upon the occurrence of an Event of Default described in **Section 19.1(k)**, the unpaid principal balance of the Notes, together with default interest as provided in the Notes

and any other charges due under the Notes and the other City Documents, will become due and payable automatically.

(g) All costs, expenses, charges and advances of the City in exercising its remedies or to protect the Project will be deemed to constitute a portion of the principal balance of the Notes, even if it causes the principal balance to exceed the face amount of the Notes, unless Borrower reimburses the City within ten (10) days of the City's demand for reimbursement.

19.3 Force Majeure. The occurrence of any of the following events will excuse performance of any obligations of the City or Borrower rendered impossible to perform while the event continues: strikes; lockouts; labor disputes; acts of God; inability to obtain labor, materials or reasonable substitutes for either; governmental restrictions, regulations or controls, including but not limited to governmental health orders related to a pandemic or epidemic; judicial orders; enemy or hostile governmental actions; civil commotion; fire or other casualty and other causes beyond the control of the party obligated to perform. The occurrence of a force majeure event will excuse Borrower's performance only in the event that Borrower has provided notice to the City within thirty (30) days after the occurrence or commencement of the event or events, and Borrower's performance will be excused for a period ending thirty (30) days after the termination of the event giving rise to the delay.

ARTICLE 20 REPRESENTATIONS AND WARRANTIES.

20.1 Borrower Representations and Warranties. As a further inducement for the City to enter into this Agreement, Borrower represents and warrants as follows:

(a) The execution, delivery and performance of the City Documents will not contravene or constitute a default under or result in a lien upon assets of Borrower under any applicable Law, any Charter Document of Borrower or any instrument binding upon or affecting Borrower, or any contract, agreement, judgment, order, decree or other instrument binding upon or affecting Borrower.

(b) When duly executed, the City Documents will constitute the legal, valid and binding obligations of Borrower. Borrower hereby waives any defense to the enforcement of the City Documents related to alleged invalidity of the City Documents.

(c) No action, suit or proceeding is pending or threatened that might affect Borrower or the Project adversely in any material respect.

(d) Borrower is not in default under any agreement to which it is a party, including any lease of real property.

(e) None of Borrower, Borrower's principals or Borrower's general contractor has been suspended or debarred by the Department of Industrial Relations or any Governmental Agency, nor has Borrower, any of its principals or its general contractor been suspended, disciplined or prohibited from contracting with any Governmental Agency. Further, Borrower

certifies that neither it nor any of its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the Funds on the Agreement Date. In addition, Borrower will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of \$100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities in addition to obtaining the certification of each contractor or subcontractor whose bid is accepted.

(f) The Loan is in balance, and the Funding Amount, together with all other committed sources of financing for the Project, are sufficient to complete the Project in accordance with this Agreement.

(g) All statements and representations made by Borrower in connection with the Loan remain true and correct as of the date of this Agreement.

ARTICLE 21 NOTICES.

21.1 Written Notice. All notices required by this Agreement must be made in writing and may be communicated by personal delivery, by a nationally recognized courier that obtains receipts, facsimile (if followed within one (1) business day by first class mail) or by United States certified mail, postage prepaid, return receipt requested. Delivery will be deemed complete as of the earlier of actual receipt (or refusal to accept proper delivery) or five (5) days after mailing, *provided that* any notice that is received after 5 p.m. on any day or on any weekend or holiday will be deemed to have been received on the next succeeding business day. Notices must be addressed as follows:

To the City: Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attn: Director

To Borrower: 1155 Ellis GP LLC
c/o Turk Street, Inc.
201 Eddy Street
San Francisco, CA 94102
Attn: Chief Executive Officer

Copy to: Goldfarb & Lipman LLP
1300 Clay Street, 11th Floor
Oakland, CA 94612
Attn: William DiCamillo

or any other address a party designates from time to time by written notice sent to the other party in manner set forth in this Section.

21.2 Required Notices. Borrower agrees to provide notice to the City in accordance with **Section 21.1** of the occurrence of any change or circumstance that: (a) will have an adverse effect on the physical condition or intended use of the Project; (b) causes the Loan to be out of balance; or (c) will have a material adverse effect on Borrower's operation of the Property or ability to repay the Loan.

ARTICLE 22 HAZARDOUS SUBSTANCES.

22.1 Borrower's Representations. Borrower represents and warrants to the City that, to the best of Borrower's actual knowledge, without independent investigation or inquiry as of the Agreement Date, the following statements are true and correct except as disclosed in the [Add reference here to any existing environmental reports and date] or otherwise in writing: (a) the Site is not in violation of any Environmental Laws; (b) the Site is not now, nor has it been, used for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Substances, except in limited quantities customarily used in residences and offices and in compliance with Environmental Laws; (c) the Site does not consist of any landfill or contain any underground storage tanks; (d) the improvements on the Site do not consist of any asbestos-containing materials or building materials that contain any other Hazardous Substances; (e) no release of any Hazardous Substances in the improvements on the Site has occurred or in, on, under or about the Site; and (f) the Site is not subject to any claim by any Governmental Agency or third party related to any Environmental Activity or any inquiry by any Governmental Agency (including the California Department of Toxic Substances Control and the Regional Water Quality Control Board) with respect to the presence of Hazardous Substances in the improvements on the Site or in, on, under or about the Site, or the migration of Hazardous Substances from or to other real property.

22.2 Covenant. Unless the City otherwise consents in writing, at all times from and after the date of this Agreement, at its sole expense, Borrower must: (a) comply with the MOHCD approved plan governing lead-based hazards at the Site, if any; and (b) comply with all applicable Environmental Laws relating to the Site and the Project, and not engage in or otherwise permit the occurrence of any Environmental Activity in violation of any applicable Environmental Laws or that is not customary and incidental to the intended use of the Site, *provided that* nothing contained in this Section will prevent Borrower from contesting, in good faith and by appropriate proceedings, any interpretation or application of Environmental Laws; and (b) deliver to the City notice of the discovery by Borrower of any event rendering any representation contained in this Section incorrect in any respect promptly following Borrower's discovery.

ARTICLE 23 INDEMNITY.

23.1 Borrower's Obligations. Borrower must Indemnify the City and its respective officers, agents and employees (individually or collectively, an "Indemnitee") against any and all Losses arising out of: (a) any default by Borrower in the observance or performance of any of Borrower's obligations under the City Documents (including those covenants set forth in **Article 22** above); (b) any failure of any representation by Borrower to be correct in all respects when

made; (c) injury or death to persons or damage to property or other loss occurring on or in connection with the Site or the Project, whether caused by the negligence or any other act or omission of Borrower or any other person or by negligent, faulty, inadequate or defective design, building, construction, rehabilitation or maintenance or any other condition or otherwise; (d) any claim of any surety in connection with any bond relating to the construction or rehabilitation of any improvements or offsite improvements; (e) any claim, demand or cause of action, or any action or other proceeding, whether meritorious or not, brought or asserted against any Indemnatee that relates to or arises out of the City Documents, the Loan, the Site or the Project or any transaction contemplated by, or the relationship between Borrower and the City or any action or inaction by the City under, the City Documents; (f) the occurrence, before the expiration of the Compliance Term, of any Environmental Activity or any failure of Borrower or any other person to comply with all applicable Environmental Laws relating to the Project or the Site; (g) the occurrence, after the Compliance Term, of any Environmental Activity resulting directly or indirectly from any Environmental Activity occurring before the Compliance Term; (h) any liability of any nature arising from Borrower's contest of or relating to the application of any Law, including any contest permitted under **Sections 9.1, 18.1 and 22.2**; or (i) any claim, demand or cause of action, or any investigation, inquiry, order, hearing, action or other proceeding by or before any Governmental Agency, whether meritorious or not, that directly or indirectly relates to, arises from or is based on the occurrence or allegation of any of the matters described in clauses (a) through (h) above, *provided that* no Indemnatee will be entitled to indemnification under this Section for matters caused solely by its own gross negligence or willful misconduct. In the event any action or proceeding is brought against an Indemnatee by reason of a claim arising out of any Loss for which Borrower has indemnified the Indemnitees, upon written notice, Borrower must answer and otherwise defend the action or proceeding using counsel approved in writing by the Indemnatee at Borrower's sole expense. Each Indemnatee will have the right, exercised in its sole discretion, but without being required to do so, to defend, adjust, settle or compromise any claim, obligation, debt, demand, suit or judgment against the Indemnatee in connection with the matters covered by this Agreement. The provisions of this Section will survive the repayment of the Loan and/or termination of this Agreement.

23.2 No Limitation. Borrower's obligations under **Section 23.1** are not limited by the insurance requirements under this Agreement.

ARTICLE 24 GENERAL PROVISIONS.

24.1 Subordination. The SSP Deed of Trust may be subordinated to other financing secured by and used for development of the Project (in each case, a "Senior Lien"), but only if MOHCD determines, in its sole discretion, that subordination is necessary to secure adequate acquisition, construction, rehabilitation and/or permanent financing to ensure the viability of the Project. Following review and approval by MOHCD and approval as to form by the City Attorney's Office, the Director of MOHCD or his/her successor or designee will be authorized to execute any approved subordination agreement without the necessity of any further action or approval.

24.2 No Third Party Beneficiaries. Nothing contained in this Agreement, nor any act of the City, may be interpreted or construed as creating the relationship of third party

beneficiary, limited or general partnership, joint venture, employer and employee, or principal and agent between the City and Borrower or Borrower's agents, employees or contractors.

24.3 No Claims by Third Parties. Nothing contained in this Agreement creates or justifies any claim against the City by any person or entity with respect to the purchase of materials, supplies or equipment, or the furnishing or the performance of any work or services with respect to the Project. Borrower must include this requirement as a provision in any contracts for the development of the Project.

24.4 Entire Agreement. This Agreement and its Exhibits incorporate the terms of all agreements made by the City and Borrower with regard to the subject matter of this Agreement. No alteration or variation of the terms of this Agreement will be valid unless made in writing and signed by the parties hereto. No oral understandings or agreements not incorporated herein will be binding on the City or Borrower.

24.5 City Obligations. The City's sole obligation under this Agreement is limited to providing the Funds as described in this Agreement, up to the Funding Amount. Under no circumstances, including breach of this Agreement, will the City be liable to Borrower for any special or consequential damages arising out of actions or failure to act by the City in connection with any of the City Documents.

24.6 Borrower Solely Responsible. Borrower is an independent contractor with the right to exercise full control of employment, direction, compensation and discharge of all persons assisting in the performance contemplated under this Agreement. Borrower is solely responsible for: (a) its own acts and those of its agents, employees and contractors and all matters relating to their performance, including compliance with Social Security, withholding and all other Laws governing these matters and requiring that contractors include in each contract that they will be solely responsible for similar matters relating to their employees; (b) any losses or damages incurred by Borrower, any of its contractors or subcontractors and the City and its officers, representatives, agents and employees on account of any act, error or omission of Borrower in the performance of this Agreement or any other City Document and the development and operation of the Project; and (c) all costs and expenses relating to Borrower's performance of obligations under the City Documents, the delivery to the City of documents, information or items under or in connection with any of the City Documents and taxes, fees, costs or other charges payable in connection with the execution, delivery, filing and/or recording of any City Document or document required under any City Document.

24.7 No Inconsistent Agreements. Borrower warrants that it has not executed and will not execute any other agreement(s) with provisions materially contradictory or in opposition to the provisions of this Agreement.

24.8 Inconsistencies in City Documents. In the event of any conflict between the terms of this Agreement and any other City Document, the terms of this Agreement control unless otherwise stated; *provided, however*, that any provision in this Agreement in conflict with any Law will be interpreted subject to that Law.

24.9 Governing Law. This Agreement is governed by California law without regard to its choice of law rules.

24.10 Joint and Several Liability. If Borrower consists of more than one person or entity, each is jointly and severally liable to the City for the faithful performance of this Agreement.

24.11 Successors. Except as otherwise limited herein, the provisions of this Agreement bind and inure to the benefit of the undersigned parties and their heirs, executors, administrators, legal representatives, successors and assigns. This provision does not relieve Borrower of its obligation under the City Documents to obtain the City's prior written consent to any assignment or other transfer of Borrower's interests in the Loan, the Site or the ownership interests in Borrower.

24.12 Severability. The invalidity or unenforceability of any one or more provisions of this Agreement will in no way affect any other provision.

24.13 Time. Time is of the essence in this Agreement. Whenever the date on which an action must be performed falls on a Saturday, Sunday or federal holiday, the date for performance will be deemed to be the next succeeding business day.

24.14 Further Assurances. Borrower agrees to: (a) pursue in an effective and continuous manner; (b) use best efforts to achieve; and (c) take all actions reasonably required by the City from time to time to confirm or otherwise carry out the purpose of this Agreement.

24.15 Binding Covenants. The provisions of the City Documents constitute covenants running with the land and will be binding upon Borrower and Borrower's successors and assigns, and all parties having or acquiring any right, title or interest in whatever form, including leasehold interests, in or to any part of the Property, except that the same will terminate and become void automatically at the expiration of the Compliance Term of this Agreement. Any attempt to transfer any right, title or interest in the Property in violation of these covenants will be void.

24.16 Consent. Except as expressly provided otherwise, whenever consent or approval of a party is required in any City Document, that party agrees not to withhold or delay its consent or approval unreasonably.

24.78 Counterparts. This Agreement may be executed in any number of counterparts, all of which will constitute but one agreement.

24.18 Borrower's Personnel. The Project shall be implemented only by competent personnel under the direction and supervision of Borrower.

24.19 Borrower's Board of Directors. Borrower shall at all times be governed by a legally constituted and fiscally responsible board of directors. Such board of directors shall meet regularly and maintain appropriate membership, as established in Borrower's bylaws and other

governing documents, and shall adhere to applicable provisions of federal, state and local laws governing nonprofit corporations. Borrower's board of directors shall exercise such oversight responsibility with regard to this Agreement as is necessary to ensure full and prompt performance by Borrower of its obligations under this Agreement.

24.20 Exhibits. The following exhibits are attached to this Agreement and incorporated by reference:

EXHIBITS

- A Schedules of Income and Rent Restrictions
- B-1 Table of Sources and Uses of Funds
- B-2 Annual Operating Budget
- B-3 20-Year Cash Flow Proforma
- C Form of Tenant Income Certification
- D Reserved
- E Governmental Requirements
- F Lobbying/Debarment Certification Form
- G Form of Annual Monitoring Report
- H Tenant Selection Plan Policy
- I MOHCD Tenant Screening Criteria Policy
- J Reserved
- K Reserved
- L Insurance Requirements
- M MOHCD Residual Receipts Policy
- N PASS Debt Service Coverage Certification

IN WITNESS WHEREOF, the parties hereto have executed this Agreement at San Francisco, California as of the date first written above.

THE CITY:

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By: _____
Daniel Lurie
Mayor

By: _____
Daniel Adams
Director, Mayor's Office of Housing
and Community Development

APPROVED AS TO FORM:

DAVID CHIU
City Attorney

By: _____
Elizabeth A. Dietrich
Deputy City Attorney

BORROWER:

1155 ELLIS GP LLC,
a California limited liability company

By: Normandy Ellis LLC,
a California limited liability company
Its: General Partner

By: Turk Street, Inc.,
a California nonprofit public
benefit corporation
Its: Sole Member and Manager

By: _____
Name: Katherine Lamont
Title: Chief Operating Officer

EXHIBIT A
Schedules of Income and Rent Restrictions

1. **Income and Rent Restrictions**

Required Rents for the Units as of the Agreement Date are as follows:

Unit Number	Unit Type	Rent (monthly payments) as of the Date of Close of the Loan
A101	Studio	\$2,020
A102	Studio	\$1,504
A103	Studio	\$1,850
A104	Studio	Vacant
A105	Studio	\$1,900
A106	Studio	\$2,000
A107	1BR	\$2,350
A108	Studio	\$1,385
A109	Studio	\$2,125
A110	Studio	\$2,081
A111	Studio	\$1,331
A112	Studio	\$1,696
A113	Studio	\$1,041
A114	Studio	Vacant
A201	Studio	Vacant
A202	Studio	\$1,291
A203	Studio	Vacant
A204	Studio	\$1,212
A205	Studio	\$1,850
A206	Studio	\$2,100

A207	1BR	\$2,500
A208	Studio	\$1,499
A209	Studio	\$2,008
A210	Studio	Vacant
A211	Studio	\$2,050
A212	Studio	\$2,000
A213	Studio	\$1,248
A214	Studio	Vacant
A301	Studio	\$1,994
A302	Studio	\$1,938
A303	Studio	\$2,150
A304	Studio	\$1,326
A305	Studio	\$1,430
A306	Studio	\$2,046
A307	1BR	\$2,350
A308	Studio	\$1,438
A309	Studio	\$1,666
A310	Studio	\$2,371
A311	Studio	\$984
A312	Studio	Vacant
A313	Studio	\$904
A314	Studio	\$2,250
B101	1BR	\$2,350
B102	1BR	\$2,523
B103	1BR	\$1,878
B104	1BR	\$2,665

B105	1BR	\$2,500
B106	1BR	\$2,241
B107	1BR	\$1,839
B108	1BR	\$2,389
B201	1BR	\$2,400
B202	1BR	\$1,675
B203	1BR	\$1,768
B204	1BR	\$1,103
B205	1BR	\$1,318
B206	1BR	\$1,698
B207	1BR	\$1,903
B208	1BR	\$1,862
B301	1BR	\$2,404
B302	1BR	\$1,926
B303	1BR	\$1,508
B304	1BR	\$2,395
B305	1BR	\$1,768
B306	1BR	\$1,838
B307	1BR	\$1,923
B308	1BR	\$1,648
C101	Studio	\$1,900
C102	Studio	\$1,800
C103	Studio	Vacant
C104	Studio	\$1,428
C105	Studio	\$1,907
C106	Studio	\$1,800

C107	1BR	\$2,454
C108	Studio	Vacant
C109	Studio	\$1,330
C110	Studio	\$2,170
C111	Studio	\$1,122
C112	Studio	\$1,427
C113	Studio	\$2,000
C114	Studio	\$2,279
C201	Studio	\$1,995
C202	Studio	Vacant
C203	Studio	\$1,995
C204	Studio	\$1,098
C205	Studio	Vacant
C206	Studio	\$1,907
C207	1BR	\$2,634
C208	Studio	\$2,072
C209	Studio	\$1,900
C210	Studio	\$1,325
C211	Studio	\$2,020
C212	Studio	\$1,508
C213	Studio	\$1,728
C214	Studio	\$1,666
C301	Studio	\$2,150
C302	Studio	\$2,072
C303	Studio	\$2,100
C304	Studio	Vacant

C305	Studio	\$1,995
C306	Studio	Vacant
C307	1BR	\$2,008
C308	Studio	\$2,000
C309	Studio	\$2,123
C310	Studio	\$2,123
C311	Studio	\$2,300
C312	Studio	\$1,105
C313	Studio	Vacant
C314	Studio	\$2,300

2. Phased Increases.

Increases in Rent for existing Qualified Tenants whose Rent and household income do not meet the requirements of the SSP Guidelines shall be determined after their income certification, which must occur by the first anniversary of the Agreement Date as described in **Section 7.2** of the Agreement. As described in **Section 3.7(c)** of the Agreement, Borrower must provide MOHCD with an updated pro forma and rent roll identifying the Units occupied by the existing Qualified Tenants receiving increases in Rent in order to satisfy the SSP Guidelines. Once the rent roll is submitted, MOHCD and Borrower shall confer to determine what, if any, adjustments to Borrower's proposed phased increases in Rent are required by MOHCD. Such rent increases must be approved by MOHCD and shall occur on the specified anniversaries of the Agreement Date according to a schedule that will be recorded as a modification to this Declaration. After such phased increases, Rent shall be adjusted as otherwise described in **Section 7** of the Agreement.

3. Rents for Units at Turn Over. After the Agreement Date, the Rent for each Unit that becomes vacant must be approved by MOHCD before the Unit may be rented to a Qualified Tenant. The Rent shall be set at the amount necessary to bring the Project's combined average Rents for all Units as close as is possible but no higher than the amount calculated as the more restrictive of either 30% of 80% Median Income or 30% of 80% area median income as published by HUD. In addition, no vacant Unit may be filled with a household earning more than 120% Median Income upon initial occupancy.

EXHIBIT B-1

Table of Sources and Uses of Funds

Attached.

Application Date:
Project Name:
Project Address:
Project Sponsor:

10/9/24
Normandy Apartments
1155 Ellis St
Tenderloin Neighborhood Development Corporation

Units: 108
Bedrooms: 108
Beds:

Small Sites Project

SOURCES	28,757,872	933,904	546,981	103,243	12,337,122	6,806,688	1,114,190	Total Sources	50,600,000	Comments	266,276.59
	Series A	Series A	Series A	Series A	Series C	Series C	Series C				
	Market Rate	Market Rate	Below	Deferred	Market Rate	Below	Deferred				

USES

Perm loans total: 29,691,776

Perm loan amount is less than bridge loan(s) by: 6108223.609

ACQUISITION											
Acquisition cost or value	13,957,872	933,904	546,981	103,243	12,337,122	6,806,688	1,114,190	35,800,000			
Legal / Closing costs / Broker's Fee								0			
Holding Costs								0			
Transfer Tax								0			
TOTAL ACQUISITION	13,957,872	933,904	546,981	103,243	12,337,122	6,806,688	1,114,190	35,800,000			

CONSTRUCTION (HARD COSTS)											
* Unit Construction/Rehab	6,251,024							6,251,024	+15% for ADA scope per Carrie's email		
* Commercial Shell Construction								0			
* Demolition								0			
Environmental Remediation								0			
* Onsite Improvements/Landscaping								0			
* Offsite Improvements								0			
* Infrastructure Improvements								0	HOPE SF/OCII costs for streets etc.		
Parking								0			
GC Bond Premium/GC Insurance/GC Taxes	303,080							303,080			4.0%
GC Overhead & Profit	454,620							454,620			6.0%
CG General Conditions	568,275							568,275			7.5%
Sub-total Construction Costs	7,576,999	0	0	0	0		0	7,576,999			
Design Contingency (remove at DD)	303,080							303,080	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+		4.0%
Bid Contingency (remove at bid)	303,080							303,080	5% up to \$30MM HC, 4% \$30-\$45MM, 3% \$45MM+		4.0%
Plan Check Contingency (remove/reduce during Plan Review)	303,080							303,080	4% up to \$30MM HC, 3% \$30-\$45MM, 2% \$45MM+		4.0%
Hard Cost Construction Contingency	1,363,860							1,363,860	18% due to asbestos remediation		18.0%
Sub-total Construction Contingencies	2,273,100	0	0	0	0		0	2,273,100			
TOTAL CONSTRUCTION COSTS	9,850,099	0	0	0	0		0	9,850,099			

Construction line item costs as a % of hard costs

SOFT COSTS											
Architecture & Design											
Architect design fees	213,650							213,650	See MOHCD A&E Fee Guidelines: http://sfmohcd.org/documents-reports-and-forms		
Design Subconsultants to the Architect (incl. Fees)								0			
Architect Construction Admin								0			
Reimbursables	6,410							6,410	CAD Conversion, permit costs and printing		
Additional Services	10,683							10,683	Addition to scope		
Sub-total Architect Contract	230,742	0	0	0	0		0	230,742			
Other Third Party design consultants (not included under Architect contract)									DD Phase: MEP \$6500; Waterproofing \$2600; Plumbing \$11000; Lead & Absestos \$5070; Elevator \$8900; Seismic \$18430; Water Flow Test \$746 Design Phase: Waterproofing, etc		
93,246								93,246			
Total Architecture & Design	323,988	0	0	0	0		0	323,988			
Engineering & Environmental Studies											
Survey	2,000							2,000	additional work?		
Geotechnical studies								0			
Phase I & II Reports								0			
CEQA / Environmental Review consultants								0			
NEPA / 106 Review								0			
CNA/PNA (rehab only)								0			
Other environmental consultants								0			
Total Engineering & Environmental Studies	2,000	0	0	0	0		0	2,000			
Financing Costs											
Construction Financing Costs											
Construction Loan Origination Fee	19,802							19,802	PASS Loan Origination Fee		
Construction Loan Interest								0			
Title & Recording	25,000							25,000	MOHCD closing; Check w/ ORTC on estimate		
CDLAC & CDIAC fees								0			
Bond Issuer Fees								0			
Other Bond Cost of Issuance								0			
Other Lender Costs (specify)	5,000							5,000	Compliance + loan servicing		
Sub-total Const. Financing Costs	49,802	0	0	0	0		0	49,802			
Permanent Financing Costs											
Permanent Loan Origination Fee								0			
Credit Enhance. & Appl. Fee								0			
Title & Recording								0			
Sub-total Perm. Financing Costs	0	0	0	0	0		0	0			
Total Financing Costs	49,802	0	0	0	0		0	49,802			
Legal Costs											
Borrower Legal fees	35,000							35,000	MOHCD closing		
Land Use / CEQA Attorney fees								0			
Tax Credit Counsel								0			
Bond Counsel								0			
Construction Lender Counsel								0			
Permanent Lender Counsel								0			
Other Legal (specify)	15,000							15,000			
Total Legal Costs	50,000	0	0	0	0		0	50,000			
Other Development Costs											
Appraisal								0			
Market Study								0			
Insurance	107,000							107,000			
Property Taxes	405,593							405,593	PT Y1 + Y2 until conversion		
Accounting / Audit								0			
Organizational Costs								0			
Entitlement / Permit Fees	75,000							75,000			
Marketing / Rent-up	124,000							124,000	predev expenses + Lease up budget of vacant units after rehab		
Furnishings	28,000							28,000	\$2,000/unit; See MOHCD U/W Guidelines on: http://sfmohcd.org/documents-reports-and-forms (Furnishings: PM office and common areas)		
PGE / Utility Fees	50,000							50,000			
TCAC App / Alloc / Monitor Fees								0			
Financial Consultant fees								0			
Construction Management fees / Owner's Rep	48,000							48,000			
Security during Construction								0			
Relocation	635,200							635,200	Increase for relocation consultant proposal and no other assumptions		
Other (specify)								0			
Other (specify)								0			
Other (specify)								0			
Other (specify)								0			
Total Other Development Costs	1,472,793	0	0	0	0		0	1,472,793			
Soft Cost Contingency											
Contingency (Arch, Eng, Fin, Legal & Other Dev)	262,994	0	0	0	0		0	262,994	15% per SSP Guidelines		13.9%
TOTAL SOFT COSTS	2,161,576	0	0	0	0		0	2,161,576			

Soft Cost Contingency as % of Total Applicable Soft Costs

RESERVES											
* Operating Reserves	610,201							610,201	25% of Op ex and Debt service		
Replacement Reserves	236,000							236,000	Total matching tab 9d		
Tenant Improvements Reserves								0			
Vacancy Reserve	757,125							757,125	Vacancies over 10% held during construction to maintain DSCR, PLUS 10% NOL on res parking income, PLUS prop tax reserve		
Other (specify)								0	As relates to prop tax exemption		
TOTAL RESERVES	1,603,325	0	0	0	0		0	1,603,325			

DEVELOPER COSTS											
Developer Fee - Cash-out Paid at Milestones	105,000							105,000			
Developer Fee - Cash-out At Risk	1,080,000							1,080,000			
Commercial Developer Fee								0			
Developer Fee - GP Equity (also show as source)								0			
Developer Fee - Deferred (also show as source)								0			
Development Consultant Fees								0			
Other (specify)								0	Need MOHCD approval for this cost, N/A for most projects		
TOTAL DEVELOPER COSTS	1,185,000	0	0	0	0		0	1,185,000			

TOTAL DEVELOPMENT COST	28,757,872	933,904	546,981	103,243	12,337,122	6,806,688	1,114,190	50,600,000			
Development Cost/Unit by Source	266,277	8,647	5,065	956	114,233	63,025	10,317	468,519			
Development Cost/Unit as % of TDC by Source	56.8%	1.8%	1.1%	0.2%	24.4%		2.2%	100.0%			

Acquisition Cost/Unit by Source	129,240	8,647	5,065	956	114,233	63,025	10,317	331,481			
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Construction Cost (inc Const Contingency)/Unit By Source	91,205	0	0	0	0		0	91,205			
Construction Cost (inc Const Contingency)/SF	99.50	0.00	0.00	0.00	0.00		0.00	99.50			

*Possible non-eligible GO Bond/COP Amount:	8,933,142										
City Subsidy/Unit	266,277										

Tax Credit Equity Pricing:	N/A										
Construction Bond Amount:	N/A										
Construction Loan Term (in months):	12 months										
Construction Loan Interest Rate (as %):	5.50%										

Small Sites											
Combined Loan to Value Ratio:								141%			
% of Acquisition Cost by Source	39%	3%	2%	0%	34%		3%	100%			

Small Sites Maximum Developer Fee	1,160,000										
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EXHIBIT B-2
Annual Operating Budget

Attached.

Application Date: 10/9/2024
Total # Units: 108

Project Name: Normandy Apartments
Project Address: 1155 Ellis St

First Year of Operations (provide data assuming that Year 1 is a full year, i.e. 12 months of operations):

2026

Project Sponsor: Tenderloin Neighborhood Development Corporation

Small Sites Project

INCOME	Total	Comments	PUPA	PUPM
Residential - Tenant Rents	2,472,772	Links from 'Existing Proj - Rent Info' Worksheet	22,896	1,908
Residential - Tenant Assistance Payments (SOS Payments)	0	Comments		
Residential - Tenant Assistance Payments (Other Non-LOSP)	0	Links from 'Existing Proj - Rent Info' Worksheet	-	-
Residential - LOSP Tenant Assistance Payments	0			
Commercial Space	11,808	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	109	
Residential Parking	70,531	Links from 'Utilities & Other Income' Worksheet	653	
Miscellaneous Rent Income	194,010	Links from 'Utilities & Other Income' Worksheet	1,796	
Supportive Services Income			-	
Interest Income - Project Operations	0	Links from 'Utilities & Other Income' Worksheet	-	
Laundry and Vending	30,217	Links from 'Utilities & Other Income' Worksheet	280	
Tenant Charges	0	Links from 'Utilities & Other Income' Worksheet	-	
Miscellaneous Residential Income	0	Links from 'Utilities & Other Income' Worksheet	-	
Other Commercial Income	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	-	
Withdrawal from Capitalized Reserve (deposit to operating account)	357,277	Meeting min DSCR Yr 1 + 10% Vacancy (Res) + Prop Tax	3,308	
Gross Potential Income	3,136,615			
Vacancy Loss - Residential - Tenant Rents	(247,277)	10% Vacancy loss is 10% of Tenant Rents.	(2,290)	
Vacancy Loss - Total Parking	(66,135)	25% #DIV/0!	(612)	
Vacancy Loss - Commercial	(2,362)	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	(22)	
EFFECTIVE GROSS INCOME	2,820,841	PUPA: 26,119		

OPERATING EXPENSES

Management

Management Fee	76,464	TNDC PM #, if matching HUD then use (80.84*12*108)*1.035	708	59
Asset Management Fee	26,009	2023 MOHCD fee of \$24,280 escalated by 3.5% for two years	241	
Sub-total Management Expenses	102,473	PUPA: 949		

Salaries/Benefits

Office Salaries	10,000	Links from 'Staffing' Worksheet	93	
Manager's Salary	78,808	Links from 'Staffing' Worksheet	730	
Health Insurance and Other Benefits	37,828		350	
Other Salaries/Benefits	8,901	403(b) Plan	82	
Administrative Rent-Free Unit		Included in "Staffing"	-	
Sub-total Salaries/Benefits	135,537	PUPA: 1,255		

Administration

Advertising and Marketing	3,716	Screen & Rental costs	34	
Office Expenses	28,487	Office suplies and equip; postage; printing; computers; telecomm; subscriptions	264	
Office Rent	23,747	Tech support; Professional Fees; Training	220	
Legal Expense - Property	15,000		139	
Audit Expense	12,500		116	
Bookkeeping/Accounting Services	15,000		139	
Bad Debts	10,000		93	
Miscellaneous	10,120	Payroll service charge & Recruitment; Bank service charges	94	
Sub-total Administration Expenses	118,570	PUPA: 1,098		

Utilities

Electricity	38,209	2023 actuals plus 3.5% escalation (includes gas)	354	29
Water	99,277	2023 actuals plus 3.5% escalation, water + sewer combined	919	77
Gas		inclcd w/ electrical	-	-
Sewer			-	-
Sub-total Utilities	137,486	PUPA: 1,273		

Taxes and Licenses

Real Estate Taxes	261,729	Assumed 64% Prop Tax Burden	2,423	
Payroll Taxes	17,802		165	
Miscellaneous Taxes, Licenses and Permits	28,060	includes SF Parking Tax	260	
Sub-total Taxes and Licenses	307,591	PUPA: 2,848		

Insurance

Property and Liability Insurance	339,000	October 2024 quote from IMA	3,139	
Fidelity Bond Insurance			-	
Worker's Compensation	11,126		103	
Director's & Officers' Liability Insurance			-	
Sub-total Insurance	350,126	PUPA: 3,242		

Maintenance & Repair

Payroll	117,520	Links from 'Staffing' Worksheet	1,088	
Supplies	24,635	Security equipment; Maint + Janit. Supplies; staff work clothes	228	
Contracts	66,871	Exterminating; Fire systems; Grounds contracts; Maintenance contracts; Elevator	619	
Garbage and Trash Removal	105,000	Lowered based on TNDC comps	972	
Security Payroll/Contract	25,000	Links from 'Staffing' Worksheet	231	
HVAC Repairs and Maintenance	6,793		63	
Vehicle and Maintenance Equipment Operation and Repairs			-	
Miscellaneous Operating and Maintenance Expenses	20,282	Carpet cleaning and replacement; Plumbing repairs; appliance repairs and replace	188	
Sub-total Maintenance & Repair Expenses	366,100	PUPA: 3,390		

Supportive Services	0	Links from 'Staffing' Worksheet	-	
Commercial Expenses	413	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	4	

TOTAL OPERATING EXPENSES 1,518,298 PUPA: 14,058

Reserves/Ground Lease Base Rent/Bond Fees

Ground Lease Base Rent	0	Provide additional comments here, if needed.	-	
Bond Monitoring Fee	5,000	Annual bond monitoring	46	
Replacement Reserve Deposit	32,400	\$300/unit	300	
Operating Reserve Deposit			-	
Other Required Reserve 1 Deposit			-	
Other Required Reserve 2 Deposit			-	
Required Reserve Deposit/s, Commercial	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	-	
Sub-total Reserves/Ground Lease Base Rent/Bond Fees	37,400	PUPA: 346		

Fees)

1,555,698 PUPA: 14,405

NET OPERATING INCOME (INCOME minus OP EXPENSES)

1,265,143 PUPA: 11,714

Min DSCR: 1.15
Mortgage Rate: 5.00%
Term (Years): 30
Supportable 1st Mortgage Pmt: 378,542
Supportable 1st Mortgage Amt: \$5,876,291
Proposed 1st Mortgage Amt: \$933,904

DEBT SERVICE/MUST PAY PAYMENTS ("hard debt"/amortized loans)

Hard Debt - First Lender	55,286	Series A Market Rate	Provide additional comments here, if needed.
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)	17,831	Series A Below	Provide additional comments here, if needed.
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)	607,087	Series C Market Rate	Provide additional comments here, if needed.
Hard Debt - Fourth Lender	204,901	Series C Below	Provide additional comments here, if needed.
Commercial Hard Debt Service	0	from 'Commercial Op. Budget' Worksheet; Commercial to Residential allocation: 100%	
TOTAL HARD DEBT SERVICE	885,106	PUPA: 8,195	

CASH FLOW (NOI minus DEBT SERVICE) 380,038
AVAILABLE CASH FLOW 380,038

USES OF CASH FLOW BELOW (This row also shows DSCR.) 1.43

USES THAT PRECEDE MOHCD DEBT SERVICE IN WATERFALL

"Below-the-line" Asset Mgt fee (uncommon in new projects, see policy)			
Partnership Management Fee (see policy for limits)			
Investor Service Fee (aka "LP Asset Mgt Fee") (see policy for limits)			
Other Payments			
Non-amortizing Loan Pmnt - Lender 1 (select lender in comments field)			Provide additional comments here, if needed.
Non-amortizing Loan Pmnt - Lender 2 (select lender in comments field)			Provide additional comments here, if needed.
Deferred Developer Fee (Enter amt <= Max Fee from cell I130)		Def. Develop. Fee split: 0%	Provide additional comments here, if needed.

TOTAL PAYMENTS PRECEDING MOHCD 0 PUPA: 0

MOHCD) 380,038

Residual Receipts Calculation

Does Project have a MOHCD Residual Receipt Obligation? Yes Project has MOHCD ground lease? No
Will Project Defer Developer Fee? No
Max Deferred Developer Fee/Borrower % of Residual Receipts in Yr 1: 33%
% of Residual Receipts available for distribution to soft debt lenders in ` 67%

Soft Debt Lenders with Residual Receipts Obligations	(Select lender name/program from drop down)	Total Principal Amt	Distrib. of Soft Debt Loans
MOHCD/OCII - Soft Debt Loans	All MOHCD/OCII Loans payable from res. rects	\$28,757,872	28.84%
MOHCD/OCII - Ground Lease Value or Land Acq Cost	Acquisition Cost	\$70,950,000	71.16%
HCD (soft debt loan) - Lender 3			0.00%
Other Soft Debt Lender - Lender 4			0.00%
Other Soft Debt Lender - Lender 5			0.00%

MOHCD RESIDUAL RECEIPTS DEBT SERVICE

MOHCD Residual Receipts Amount Due	253,358	67% of residual receipts, multiplied by 100% -- MOHCD's pro rata share of all soft debt
Proposed MOHCD Residual Receipts Amount to Loan Repayment	98,405	Enter/override amount of residual receipts proposed for loan repayment.
Proposed MOHCD Residual Receipts Amount to Residual Ground Lease	0	If applicable, MOHCD residual receipts amt due LESS amt proposed for loan repymt.
Proposed MOHCD Residual Receipts Amount to Replacement Reserve	253,358	MOHCD res rects to Rep Res (RR) until RR balance >= 1.5 Original Capitalized RR amt.
SERVICE	126,679	Total Resid Receipts due not allocated, please revise F142

NON-MOHCD RESIDUAL RECEIPTS DEBT SERVICE

HCD Residual Receipts Amount Due	0	
Lender 4 Residual Receipts Due	0	
Lender 5 Residual Receipts Due	0	
Total Non-MOHCD Residual Receipts Debt Service	0	

REMAINDER (Should be zero unless there are distributions below)

	126,679	
Owner Distributions/Incentive Management Fee	126,679	100% of Borrower share of 33% of residual receipts
Other Distributions/Uses	0	
Final Balance (should be zero)	0	

EXHIBIT B-3

20-Year Cash Flow Proforma

[This Proforma must include the same line items as the Annual Operating Budget shown in Exhibit B-2.]

Attached.

EXHIBIT C
Tenant Income Certification Form

Attached.

TENANT INCOME CERTIFICATION

☐ Initial Certification ☐ 1st Recertification ☐ Other _____

Effective Date: _____
Move-in Date: _____
(MM/DD/YYYY)

PART I - DEVELOPMENT DATA

Property Name: _____ County: _____ BIN #: _____
Address: _____ Unit Number: _____ # Bedrooms: _____

PART II. HOUSEHOLD COMPOSITION

HH Mbr #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (Y or N)	Social Security or Alien Reg. No.
1			HEAD			
2						
3						
4						
5						
6						
7						

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	\$	\$	\$	\$

Add totals from (A) through (D), above

TOTAL INCOME (E):

\$

PART IV. INCOME FROM ASSETS

Hshld Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
TOTALS:			\$	\$
Enter Column (H) Total		Passbook Rate		
If over \$5000		\$ _____ X 2.00%	= (J) Imputed Income	\$
Enter the greater of the total of column I, or J: imputed income			TOTAL INCOME FROM ASSETS (K)	\$

(L) Total Annual Household Income from all Sources [Add (E) + (K)]

\$

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature

(Date)

Signature

(Date)

Signature

(Date)

Signature

(Date)

PART V. DETERMINATION OF INCOME ELIGIBILITY**RECERTIFICATION ONLY:**

TOTAL ANNUAL HOUSEHOLD INCOME
FROM ALL SOURCES:
From item (L) on page 1

\$

Current Income Limit x 140%:

\$

Household Income exceeds 140% at
recertification:☐ Yes ☐ No

Current Income Limit per Family Size: \$

Household Income at Move-in: \$

Household Size at Move-in: _____

PART VI. RENT

Tenant Paid Rent
Utility Allowance

\$

\$

Rent Assistance:

\$

Other non-optional charges:

\$

GROSS RENT FOR UNIT:
(Tenant paid rent plus Utility Allowance &
other non-optional charges)

\$

Unit Meets Rent Restriction at:

☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐ _____%

Maximum Rent Limit for this unit: \$

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS?

☐ yes ☐ noIf yes, Enter student explanation*
(also attach documentation)Enter
1-5

*Student Explanation:

- 1 AFDC / TANF Assistance
- 2 Job Training Program
- 3 Single Parent/Dependent Child
- 4 Married/Joint Return
- 5 Former Foster Care

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Tax Credit ☐

See Part V above.

b. HOME ☐

Income Status

- ☐ ≤ 50% AMGI
☐ ≤ 60% AMGI
☐ ≤ 80% AMGI
☐ OI**

c. Tax Exempt ☐

Income Status

- ☐ 50% AMGI
☐ 60% AMGI
☐ 80% AMGI
☐ OI**

d. AHDP ☐

Income Status

- ☐ 50% AMGI
☐ 80% AMGI
☐ OI**

e. _____ ☐
(Name of Program)

Income Status

- ☐ _____
☐ _____
☐ OI**

** Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

SIGNATURE OF OWNER/REPRESENTATIVE

DATE

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I - Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Move-in Date	Enter the date the tenant has or will take occupancy of the unit.
Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN #	Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609).
Address	Enter the address of the building.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.

Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H	-	Head of Household	S	-	Spouse
A	-	Adult co-tenant	O	-	Other family member
C	-	Child	F	-	Foster child(ren)/adult(s)
L	-	Live-in caretaker	N	-	None of the above

Enter the date of birth, student status, and social security number or alien registration number for each occupant.

If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III - Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List **each** respective household member number from Part II. Include anticipated income only if documentation exists verifying pending employment. If any adult states zero-income, please note "zero" in the columns of Part III.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).

Column (D) Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.

Row (E) Add the totals from columns (A) through (D), above. Enter this amount.

Part IV - Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F) List the type of asset (i.e., checking account, savings account, etc.)

Column (G) Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).

Column (H) Enter the cash value of the respective asset.

Column (I) Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).

TOTALS Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than \$5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by 2% and enter the amount in (J), Imputed Income.

Row (K) Enter the greater of the total in Column (I) or (J)

Row (L) Total Annual Household Income From all Sources Add (E) and (K) and enter the total

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

Part V – Determination of Income Eligibility

Total Annual Household Income from all Sources Enter the number from item (L).

Current Income Limit per Family Size Enter the Current Move-in Income Limit for the household size.

Household income at move-in
Household size at move-in For recertifications, only. Enter the household income from the move-in certification. On the adjacent line, enter the number of household members from the move-in certification.

Household Meets Income Restriction Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.

Current Income Limit x 140% For recertifications only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. **140% is based on the Federal Set-Aside of 20/50 or 40/60, as elected by the owner for the property, not deeper targeting elections of 30%, 40%, 45%, 50%, etc.** Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI - Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rent Assistance	Enter the amount of rent assistance, if any.
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other non-optional charges	Enter the amount of <u>non-optional</u> charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at	Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII - Student Status

If all household members are full time* students, check “yes”. If at least one household member is not a full time student, check “no”.

If “yes” is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

**Full time is determined by the school the student attends.*

Part VIII – Program Type

Mark the program(s) for which this household’s unit will be counted toward the property’s occupancy requirements. Under each program marked, indicate the household’s income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicating the household’s designation.
Tax Exempt	If the property participates in the Tax Exempt Bond program, mark the appropriate box indicating the household’s designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household’s unit will count towards the set-aside requirements, mark the appropriate box indicating the household’s designation.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner’s representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

EXHIBIT D
First Source Hiring Requirements and Numerical Goals

Borrower's use of Funds triggers the following hiring requirements imposed by the City's First Source Hiring Ordinance (San Francisco Administrative Code Chapter 83) as incorporated into MOHCD's Section 3 Plan.

1. Section 3 Requirements.

(a) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u ("Section 3"), based on Borrower's receipt of City funds under MOHCD's Section 3 Plan. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing, to the greatest extent feasible.

(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

(c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and to post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference and set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions and the qualifications for each, the name and location of the person(s) taking applications for each of the positions and the anticipated date work will begin.

(d) The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135 and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

(e) The contractor will certify that any vacant employment positions, including training positions, that are filled: (i) after the contractor is selected but before the contract is executed; and (ii) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

(f) Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default and debarment or suspension from future HUD assisted contracts.

2. Recommended Minimum Numerical Goals. Contractors may demonstrate compliance with the "greatest extent feasible" requirement of Section 3 by meeting the numerical goals set forth below for training, employment and contracting opportunities to Section 3 residents and Section 3 business concerns, which represent minimum numerical goals.

(a) Training and Employment of Section 3 Residents (24 CFR § 135.30(b)). Contractors and subcontractors may demonstrate compliance by committing to employ Section 3 residents as thirty percent (30%) of the aggregate number of new hires (full-time employees for permanent, temporary or seasonal employment) and an overall goal of thirty percent (30%) of total work hours for the entire project.

(b) Contracts with Section 3 Business Concerns (24 CFR § 135.30). Contractors and subcontractors may demonstrate compliance with the requirements of this part by committing to award to Section 3 business concerns:

(i) At least ten percent (10%) of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; and

(ii) At least three percent (3%) of the total dollar amount of all other Section 3 covered contracts.

EXHIBIT E
Governmental Requirements

1. Prevailing Wages and Working Conditions.

Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.61. Borrower agrees to require its Contractors and Subcontractors performing (i) labor in the construction of a “public work” as defined in California Labor Code Section 1720 et seq. (which includes certain construction, alteration, maintenance, demolition, installation, repair, carpet laying, or refuse hauling if paid for in whole or part out of public funds), or (ii) Covered Construction at the Project or Site to (1) payment of not less than the wages prevailing in the locality, as preterminted by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. §§ 276a-276a-5), as supplemented by Dept. of Labor regulations (29 CFR part 5), to all laborers and mechanics employed in the development of any part of the housing, and (2) contracts involving their employment will be subject to the provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-332) as supplemented by Dept. of Labor regulations (29 CFR part 5), (collectively, “Prevailing Wage Requirements”). Borrower agrees to cooperate with the City in any action or proceeding against a Contractor or Subcontractor that fails to comply with the Prevailing Wage Requirements.

If applicable, Borrower shall include, and require its Contractors and Subcontractors (regardless of tier) to include, the Prevailing Wage Requirements and the agreement to cooperate in City enforcement actions in any Construction Contract with specific reference to San Francisco Administrative Code Section 23.61. Each such Construction Contract shall name the City and County of San Francisco, affected workers, and employee organizations formally representing affected workers as third party beneficiaries for the limited purpose of enforcing the Prevailing Wage Requirements, including the right to file charges and seek penalties against any Contractor or Subcontractor in accordance with San Francisco Administrative Code Section 23.61. Borrower’s failure to comply with its obligations under this Section shall constitute a material breach of the Agreement. A Contractor’s or Subcontractor’s failure to comply with this Section will enable the City to seek the remedies specified in San Francisco Administrative Code Section 23.61 against the breaching party.

2. Environmental Review. The Project must meet the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. § 4321), related authorities listed at 24 CFR Section 51.100 and parts 50 and 58 and the California Environmental Quality Act (Cal. Pub. Res. Code §§ 2100 *et seq.*) and implementing regulations.

3. Conflict of Interest.

(a) Except for approved eligible administrative or personnel costs, no employee, agent, consultant, officer or official of Borrower or the City who exercises or has exercised any function or responsibilities with respect to activities assisted by Funds, in whole or in part, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in or benefit from the activities assisted under this Agreement, or have an interest, direct or indirect, in any contract,

subcontract or agreement with respect thereto, or in the proceeds thereunder either for himself/herself or for those with whom he/she has family or business ties, during his/her tenure and for one year thereafter. In order to carry out the purpose of this Section, Borrower must incorporate, or cause to be incorporated, in all contracts, subcontracts and agreements relating to activities assisted under the Agreement, a provision similar to that of this Section. Borrower will be responsible for obtaining compliance with conflict of interest provisions by the parties with whom it contracts and, in the event of a breach, Borrower must take prompt and diligent action to cause the breach to be remedied and compliance to be restored.

(b) Borrower represents that it is familiar with the provisions of 24 CFR § 84.42, Section 15.103 of the San Francisco Charter, Article III, Chapter 2, and Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, and Sections 1090 through 1097 and 87100 *et seq.* of the California Government Code, all of which relate to prohibited conflicts of interest and prohibited contributions in connection with government contracts. Borrower certifies that it knows of no facts that constitute a violation of any of these provisions and agrees to notify the City immediately if Borrower at any time obtains knowledge of facts constituting a violation. The City will notify its Ethics Commission of the parties to this Agreement in accordance with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code.

(c) In the event of any violation of the conflict of interest prohibitions, Borrower agrees that the City may refuse to consider any future application for funding from Borrower or any entity related to Borrower until the violation has been corrected to the City's satisfaction, in the City's sole discretion.

4. Disability Access. Borrower must comply with all applicable disability access Laws, including the Americans With Disabilities Act (42 U.S.C. §§ 1201 *et seq.*), Section 504 of the Rehabilitation Act (29 U.S.C. § 794) and the Fair Housing Amendments Act (42 U.S.C. §§ 3601 *et seq.*). Borrower is responsible for determining which disability access Laws apply to the Project, including those applicable due to the use of Funds. In addition, before occupancy of the Project, Borrower must provide to the City a written reasonable accommodations policy that indicates how Borrower will respond to requests by disabled individuals for accommodations in Units and common areas of the Project.

5. Lead-Based Paint. Borrower must satisfy the requirements of Chapter 36 of the San Francisco Building Code ("Work Practices for Exterior Lead-Based Paint") and the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821 *et seq.*) and implementing regulations at 24 CFR part 35. Borrower must also comply with the provisions contained in 17 CCR 350000 *et seq.*, and 8 CCR 1532.1 and all other applicable Laws governing lead-based hazards.

6. Relocation. Borrower must meet any applicable requirements of the California Relocation Assistance Act (Cal. Gov. Code §§ 7260 *et seq.*) and implementing regulations in Title 25, Chapter 6 of the California Administrative Code in addition to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. §§ 4601 *et seq.*) and implementing regulations at 49 CFR part 24 and similar Laws. Borrower may use vacant Units in the Project to accommodate the temporary relocation of Qualified Tenants in other Small Sites Program Projects to complete rehabilitation for a period of up to 30 days, during which time,

relocated Qualified Tenants must sign a relocation lease, approved as to form by the City, giving the relocated Qualified Tenant temporary right to the Unit for no more than a 30 day period. The use of Small Sites Program Units for temporary relocation applies only to other Small Sites Program Qualified Tenants and not to tenants residing in properties subject to other funding sources and/or program regulations.

7. Low-Income Hiring Requirements. The use of Funds triggers compliance with certain hiring requirements imposed by the City's First Source Hiring Ordinance (S.F. Admin. Code Chapter 83), as incorporated into MOHCD's Section 3 Plan. To ensure compliance with those requirements, Borrower must include the provisions attached as **Exhibit D** in its contract with the general contractor for the Project. Borrower will be responsible to the City for ensuring compliance with the requirements listed on **Exhibit D**.

8. Non-Discrimination in City Contracts and Benefits Ordinance.

(a) Borrower Shall Not Discriminate. In the performance of this Agreement, Borrower agrees not to discriminate against any employee, City and County employee working with Borrower or any subcontractor, applicant for employment with Borrower or any subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services or membership in all business, social or other establishments or organizations operated by Borrower on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, height, weight, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Subcontracts. Borrower shall incorporate by reference in all subcontracts the provisions of Sections 131.2 and 132.3 of Division II of the San Francisco Labor and Employment Code. Borrower's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(c) Non-Discrimination in Benefits. Borrower does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 131.2 of the San Francisco Labor and Employment Code.

(d) Condition to Contract. As a condition to this Agreement, Borrower shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the executed form by the San Francisco Contract Monitoring Division.

(e) Incorporation of Administrative Code Provisions by Reference. The provisions of Articles 131 ("Nondiscrimination in Contracts") and 132 ("Nondiscrimination in Property Contracts") of the San Francisco Labor and Employment Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Borrower shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including the remedies provided in such Chapters. Without limiting the foregoing, Borrower understands that pursuant to Sections 131.2(h) and 131.2(g) of the San Francisco Labor and Employment Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Borrower and/or deducted from any payments due Borrower.

9. MacBride Principles. Pursuant to San Francisco Administrative Code Section 12F.5, City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Borrower acknowledges and agrees that he or she has read and understood this Section.

10. Tropical Hardwood & Virgin Redwood Ban. Pursuant to § 804(b) of the San Francisco Environment Code, City urges all grantees and borrowers not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

11. Preservative-Treated Wood Containing Arsenic. Borrower may not purchase preservative-treated wood products containing arsenic until the SSP Deed of Trust and PASS Deed of Trust have been fully reconveyed unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Borrower may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Borrower from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

12. Submitting False Claims; Monetary Penalties. Any borrower, grantee, contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A borrower, grantee, contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the borrower, grantee, contractor, subcontractor or consultant:

(a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval;

(b) knowingly makes, uses or causes to be made or used a false record or statement to get a false claim paid or approved by the City;

(c) conspires to defraud the City by getting a false claim allowed or paid by the City;

(d) knowingly makes, uses or causes to be made or used a false record or statement to conceal, avoid or decrease an obligation to pay or transmit money or property to the City; or

(e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

13. Sunshine Ordinance.

(a) Borrower acknowledges and agrees that this Agreement and the Application Documents are subject to Section 67.24(e) of the San Francisco Administrative Code, which provides that contracts, including this Agreement, grantee's bids, responses to Requests for Proposals (RFPs) and all other records of communications between City and persons or entities seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in such Section 67.24(e) (as it exists on the date hereof) requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All information provided by Borrower that is covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request. Further, Borrower specifically agrees that any meeting of the governing body of its manager that addresses any matter relating to the Project or to Borrower's performance under this Agreement will be conducted as a passive meeting.

(b) By executing this Agreement, Borrower agrees to comply with the provisions of Chapter 12L of the San Francisco Administrative Code to the extent applicable.

(c) In accordance with the Citizen's Right to Know Act of 1998 (S. F. Admin. Code Chapter 79), no officer, department, board or commission of the City may approve a City Project, as defined in Chapter 79, unless a sign has been posted on the applicable property at least fifteen (15) days before approval. A City Project is a project that involves new construction, a change in use or a significant expansion of an existing use where the City funding for the project is \$50,000 or more. If the loan will be used for a City Project, this Agreement will not become effective until fifteen (15) days following the posting of the requisite sign, or, in the alternative, thirty (30) days following the delivery of written notices to residents and owners within 300 feet of the Site, and the City will have the right to nullify or revoke this Agreement

without cost or liability of any sort whatsoever at any time before that date. If Borrower believes that this Agreement relates to a City Project and that the requisite sign has not been posted, Borrower must notify the City so that the City may determine the applicability of Chapter 79, and, if necessary, post the requisite sign.

14. Prohibition on Use of Public Funds for Political Activities. Borrower shall comply with San Francisco Administrative Code Chapter 12G, which prohibits funds appropriated by the City for this Agreement from being expended to participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure. Borrower is subject to the enforcement and penalty provisions in Chapter 12G.

15. Nondisclosure of Private Information. Borrower has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information", and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. Borrower agrees that any failure of Borrower to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Agreement. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Agreement, bring a false claim action against Borrower pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar Borrower.

16. Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of graffiti.

(a) Borrower shall remove all graffiti from any real property owned or leased by Borrower in the City and County of San Francisco within forty eight (48) hours of the earlier of Borrower's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a Borrower to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

(b) Any failure of Borrower to comply with this section of this Agreement shall constitute an Event of Default of this Agreement.

17. Resource-Efficient Building Ordinance. Borrower acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Chapter 7 relating to resource-efficient City buildings and resource-efficient pilot projects. Borrower hereby agrees it shall comply with the applicable provisions of such code sections as such sections may apply to the Property.

18. Consideration of Criminal History in Hiring and Employment Decisions.

(a) Borrower agrees to comply fully with and be bound by all of the provisions of Chapter 12T "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at www.sfgov.org/olse/fco. A partial listing of some of Borrower's obligations under Chapter 12T is set forth in this Section. Borrower is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

(b) The requirements of Chapter 12T shall only apply to a Borrower's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, shall apply only when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco, and shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

(c) Borrower shall incorporate by reference in all subcontracts the provisions of Chapter 12T, and shall require all subcontractors to comply with such provisions. Borrower's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

(d) Borrower or Subcontractor shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant's or potential applicant for employment, or employee's: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

(e) Borrower or Subcontractor shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection 16.16(d), above. Borrower or Subcontractor shall not require such disclosure or make such

inquiry until either after the first live interview with the person, or after a conditional offer of employment.

(f) Borrower or Subcontractor shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment to be performed under this Agreement, that the Borrower or Subcontractor will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

(g) Borrower and Subcontractors shall post the notice prepared by the Office of Labor Standards Enforcement (OLSE), available on OLSE's website, in a conspicuous place at every workplace, job site, or other location under the Borrower or Subcontractor's control at which work is being done or will be done in furtherance of the performance of this Agreement. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the workplace, job site, or other location at which it is posted.

(h) Borrower understands and agrees that if it fails to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T, including but not limited to, a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Agreement.

19. Food Service Waste Reduction Requirements. Borrower agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Borrower agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Borrower agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Borrower's failure to comply with this provision.

20. Bottled Drinking Water. Unless exempt, Borrower agrees to comply fully with and be bound by all of the provisions of the San Francisco Bottled Water Ordinance, as set forth in San Francisco Environment Code Chapter 24, including the administrative fines, remedies, and implementing regulations provided therein, as the same may be amended from time to time. The provisions of Chapter 24 are incorporated herein by reference and made a part of this Agreement as though fully set forth.

21. Local Business Enterprise and Non-Discrimination in Contracting Ordinance. Borrower will comply with the applicable requirements of the Local Business Enterprise Utilization and Non-Discrimination in Contracting Ordinance under Administrative Code Chapter 14B ("LBE Ordinance") and will incorporate such requirements, if any, in contracts with any Contractors and Subcontractors.

EXHIBIT F
Lobbying/Debarment Certification Form

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

This lobbying certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for such failure.

3. Neither the undersigned nor its principals is listed by the General Services Administration as debarred, suspended, ineligible or voluntarily excluded from receiving the Funds on the Agreement Date. The undersigned will review the list to ensure that any contractor or subcontractor who bids for a contract in excess of \$100,000 is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities and will obtain the certification of each contractor or subcontractor whose bid is accepted that such contractor or subcontractor is not debarred, suspended, ineligible or voluntarily excluded from participating in federal programs and activities.

1155 ELLIS GP LLC,
a California limited liability company

By: Normandy Ellis LLC,
a California limited liability company
Its: General Partner

By: Turk Street, Inc.,
a California nonprofit public
benefit corporation
Its: Sole Member and Manager

By: _____
Name: Katherine Lamont
Title: Chief Operating Officer

EXHIBIT H

Tenant Selection Plan Policy

This policy is in addition to the obligations to comply with applicable federal, state and local civil rights laws, including laws pertaining to reasonable accommodation and limited English proficiency (LEP),¹ **and the applicable provision of the Violence Against Women Act, Pub. Law 109-62 (January 5, 2006), as amended.**

Application Process

- **Application Materials.** MOHCD shall provide an application to be used prior to the housing lottery. The housing provider agrees to use this application to determine lottery eligibility. The housing provider's written and/or electronic application materials should:
 - outline the screening criteria that the housing provider will use;
 - be in compliance with San Francisco Police Code Article 49 or the Fair Chance Ordinance,
 - outline how an applicant may request a modification of the admission process and/or a change in admission policies or practices as a reasonable accommodation;
 - be written in language that is clear and readily understandable,
- **First Interview.** In accordance with the housing provider policies, an initial interview is required to assess each applicant's minimum eligibility requirements for housing units. All applicants shall be offered the opportunity for an interview in lottery rank order.
- **Second Interview.** Before issuing a denial, the housing provider should consider offering a second interview to resolve issues and inconsistencies, gather additional information, and assist as much as possible with a determination to admit the applicant.
- **Confidentiality.** All information provided will be kept confidential and be used only by the housing provider, the referring agency and the funding agency for the purpose of assisting and evaluating the applicant in the admission process. All applicant information shall be retained for 12 months after the final applicant interview.
- **Delays in the Process.** If delays have occurred or are likely to occur in the application and screening process or the process exceeds the housing provider's normal timeline for application and screening, the housing provider must immediately inform the referring agency and the funding agency, of the status of the application, the reason for the delay and the anticipated time it will take to complete the application process.

¹*See for e.g.,* Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), 42 U.S.C. §§ 3601, et seq.; 24 C.F.R. Part 100; Title VI of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000d-2000d-7; Executive Order 13,166, Improving Access to Services for Persons with Limited English Proficiency (August 11, 2000); Department of Housing and Urban Development Limited English Proficiency Guidance, 72 Fed. Reg. 2732 (Jan. 22, 2007); Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794; 24 C.F.R. Parts 8 and 9; Title II of the Americans with Disabilities Act of 1990, as amended; California Fair Employment and Housing Act, Gov't Code §§ **12,955-12,956.2**; **Unruh Civil Rights Act, Civil Code § 51**; **California Disabled Persons Act, Civil Code § 51.4**; Dymally-Alatorre Bilingual Services Act, Gov't Code §**7290-7299.8**; **San Francisco Language Access Ordinance, No. 202-09 (April 14, 2009)**

- **Problems with the Referring Agency.** If at any point the housing provider has difficulty reaching or getting a response from the applicant and referring agency, the housing provider must immediately contact the referring agency, if possible, and the funding agency, DPH or HSA.
- **Limited English Proficiency Policy.** Throughout the application process, the housing provider must comply with City policy for language access requirements for applicants with limited English proficiency.

Reasonable Accommodation and Modification Policy

Reasonable Accommodation: The application process should provide information about how an applicant may make a reasonable accommodation request. At any stage in the admission process, an applicant may request a reasonable accommodation, if the applicant has a disability and as a result of the disability needs a modification of the provider's rules, policies or practices, including a change in the way that the housing provider communicates with or provides information to the applicant that would give the applicant an equal chance to be selected by the housing provider to live in the unit.

Reasonable Modification: Applicant may request a reasonable modification if he or she has a disability and as a result of the disability needs:

- a physical change to the room or housing unit that would give the applicant an equal chance to live at the development and use the housing facilities or take part in programs on site;
- a physical change in some other part of the housing site that would give the applicant an equal chance to live at the development and use the housing facilities or take part in programs on site.

Response to Request: The housing provider shall respond to a request for reasonable accommodation or modification within ten (10) business days. The response may be to grant, deny, or modify the request, or seek additional information in writing or by a meeting with the applicant. The housing provider will work with the applicant and referring agency to determine if there are ways to accommodate the applicant.

The housing provider shall grant the request if the provider determines that:

- the applicant has a disability;
- reasonable accommodation or modification is necessary because of the disability; and
- the request is reasonable (i.e., does not impose an undue financial or administrative burden or fundamentally alter the nature of the housing program.)

If the reasonable accommodation request is denied, the rejection must explain the reasons in writing. If the denial of the reasonable accommodation request results in the applicant being denied admission to the unit, the provisions of the section on Notice of Denial and Appeal Process apply.

Notice of Denial and Appeal Process

- The housing provider shall:
 - Hold a comparable unit for the household during the entire appeal process.
 - promptly send a written and electronic notice (to the addresses provided) to each applicant denied admission with a written and/or electronic copy to the referring agency and the funding agency. The notice should:
 - list all the reasons for the rejection, including the particular conviction or convictions that led to the decision in cases where past criminal offenses were a reason for rejection;
 - state that an applicant with a disability is entitled to request a reasonable accommodation to participate in the appeal;
 - inform the applicant that he or she is entitled to have an advocate, housing counselor, or attorney included on all communication;
 - provide referral information for housing counseling agencies;
 - describe the evidence that the applicant can present at the appeal;
 - give applicants denied admission a date within which to file the appeal, which shall be at least five (5) business days from the date of the notice;
 - make a decision within ten (10) business days of the request for the appeal unless an extension is agreed to by the applicant and the housing provider;
 - confine the subject of the appeal to the reason for denial listed in the notice;
 - give the applicant a chance to present documents and/or witnesses showing that he or she will be a suitable tenant;
 - have an impartial supervisor or manager from the housing provider, but who is not the person who made the initial decision or a subordinate of the person who made the initial decision, conduct the appeal;
 - provide the applicant with a written decision that states the reason for the decision and the evidence relied upon. A copy of the written decision must be sent (electronically or otherwise) to the referring agency and the funding agency.
- If the rejection is based on a criminal background check obtained from a tenant screening agency, the Fair Chance Ordinance imposes additional notice requirements.

EXHIBIT I

Tenant Screening Criteria Policy

The screening criteria and considerations outlined below encourage providers to “screen in” rather than “screen out” applicants. These requirements are also designed to satisfy the requirements of San Francisco Police Code Article 49, Sections 4901-4920 or the Fair Chance Ordinance. This policy describes a minimum level of leniency; providers are encouraged to adopt less restrictive policies and processes whenever appropriate. For example, providers may opt not to review or consider applicant criminal records at all.

Screening Criteria

- Housing providers shall not automatically bar applicants who have a criminal record² in recognition of the fact that past offenses do not necessarily predict future behavior, and many applicants with a criminal record are unlikely to re-offend.
- Housing providers shall not consider:
 - arrests that did not result in convictions, except for an open arrest warrant;
 - convictions that have been expunged or dismissed under Cal. Penal Code § 1203.4 or 1203.4a;³
 - juvenile adjudications.
- Housing providers shall consider:
 - the individual circumstances of each applicant; and
 - the relationship between the offense, and
 - (1) the safety and security of other tenants, staff and/or the property; and
 - (2) mitigating circumstances such as those listed below.
 - only those offenses that occurred in the prior 7 years, except in exceptional situations, which must be documented and justified, such as where the housing provider staff is aware that the applicant engaged in violent criminal activity against staff, residents or community members and/or that the applicant intentionally submitted an application with materially false information regarding criminal activity.
 - mitigating factors, including, but not limited to:
 - (1) the seriousness of the offense;
 - (2) the age and/or circumstances of the applicant at the time of the offense;
 - (3) evidence of rehabilitation, such as employment, participation in a job training program, continuing education, participation in a drug or alcohol treatment program, or letters of support from a parole or probation officer, employer, teacher, social worker, medical professional, or community leader;

² The policy recognizes that some housing may be subject to mandatory laws that require the exclusion of an applicant based upon certain types of criminal activity.

³ The purpose of the statute is allow a petitioner to request a dismissal of the criminal accusations, a change in plea or setting aside of a verdict and to seek to have certain criminal records sealed or expunged and a release “from all penalties and disabilities resulting from the offense.”

- (4) if the offense is related to acts of domestic violence committed against the applicant;
- (5) if the offense was related to a person's disability.

EXHIBIT J
Reserved

EXHIBIT K
Reserved

EXHIBIT L
Insurance Requirements

Subject to approval by the City's Risk Manager of the insurers and policy forms, Borrower must obtain and maintain, or caused to be maintained, the insurance and bonds as set forth below from the date of this Agreement throughout the Compliance Term at no expense to the City:

1. **Liability Insurance.** Borrower must obtain and maintain, or cause its contractors, subcontractors, property managers and/or agents, as appropriate for each, to obtain and maintain, insurance and bonds as follows:

(a) to the extent Borrower or its contractors and subcontractors have “employees” as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars (\$1,000,000) each accident, injury or illness;

(b) commercial general liability insurance, with limits no less than Two Million Dollars (\$2,000,000) combined single limit per occurrence and Four Million Dollars (\$4,000,000) annual aggregate limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; products and completed operations; broad form property damage; and explosion, collapse and underground (XCU) coverage during any period in which Borrower is conducting any activity on, alteration or improvement to the Site with risk of explosions, collapse, or underground hazards;

(c) business automobile liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) professional liability insurance of no less than Two Million Dollars (\$2,000,000) per claim and Four Million Dollars (\$4,000,000) annual aggregate limit covering all negligent acts, errors and omissions of Borrower's architects, engineers and surveyors. If the professional liability insurance provided by the architects, engineers, or surveyors is “Claims made” coverage, Borrower shall assure that these minimum limits are maintained for no less than three (3) years beyond completion of the constructions or remodeling. Any deductible over Fifty Thousand Dollars (\$50,000) each claim must be reviewed by Risk Management; and

(e) a crime policy or fidelity bond covering Borrower's officers and employees against dishonesty with respect to the Funds of no less than Seventy Five Thousand Dollars (\$75,000) each loss, with any deductible not to exceed Five Thousand Dollars (\$5,000) each loss, including the City as additional obligee or loss payee;

(f) as applicable, pollution liability and/or asbestos pollution liability covering the work being performed with a limit no less than Two Million Dollars (\$2,000,000)

per claim or occurrence and Two Million Dollars (\$2,000,000) annual aggregate per policy. This coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by the Borrower's contractor, provided that the policy must be "claims made" coverage and Borrower must require Borrower's contractor to maintain these minimum limits for no less than three (3) years beyond completion of the construction or remodeling.

2. Property Insurance.

Borrower must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows:

(a) Prior to construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all improvements prior to commencement of construction and City property in the care, custody and control of the Borrower or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing; and with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City and all subcontractors as loss payees.

(b) During the course of construction:

(i) Builder's risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Borrower or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such covered perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing, copy of the applicable endorsement to the Builder's Risk policy, if the Builder's Risk policy is issued on a declared-project basis; and with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City and all subcontractors as loss payees.

(ii) Performance and payment bonds of contractors, each in the amount of One Hundred Percent (100%) of contract amounts, naming the City and Borrower as dual obligees or other completion security approved by the City in its sole discretion.

(c) Upon completion of construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Borrower or its contractor. For rehabilitation/construction projects that are unoccupied by residential or commercial tenants, Borrower must obtain Property Insurance by the date that the project receives a Certificate of Substantial Completion.

(ii) Boiler and machinery insurance, comprehensive form, covering damage to, loss or destruction of machinery and equipment located on the Site that is used by

Borrower for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City as loss payee.

The following notice is provided in accordance with the provisions of California Civil Code Section 2955.5: Under California law, no lender shall require a borrower, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.

3. General Requirements.

(a) General and automobile liability policies of Borrower, contractors, commercial tenants and property managers must include the City, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the City.

(b) All policies required by this Agreement must be endorsed to provide no less than thirty (30) days' written notice to the City before cancellation or intended non-renewal is effective. The endorsement must provide the City with the same rights as the named insured in the event of cancellation or intended non-renewal.

(c) With respect to any property insurance, Borrower hereby waives all rights of subrogation against the City to the extent of any loss covered by Borrower's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Borrower's insurance by the City will not relieve or decrease the liability of Borrower under this Agreement.

(e) Any and all insurance policies called for herein must contain a clause providing that the City and its officers, agents and employees will not be liable for any required premium.

(f) The City reserves the right to require an increase in insurance coverage in the event the City determines that conditions show cause for an increase, unless Borrower demonstrates to the City's satisfaction that the increased coverage is commercially unreasonable and unavailable to Borrower.

(g) All liability policies must provide that the insurance is primary to any other insurance available to the additional insureds with respect to claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.

(j) Borrower must provide the City with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.

Exhibit M
MOHCD Residual Receipts Policy

Attached.

Exhibit N
PASS Debt Service Coverage Certification

Attached.

EXHIBIT N
PASS Debt Service Coverage Certification
 [To be completed by Borrower]

Project Name: _____
 Project Owner: _____
 Project Sponsor: _____
 Total Units: _____
 Total Occupied Units: _____
 Percentage Occupied: _____

INCOME		Total
Residential - Tenant Rents		
Residential - Tenant Assistance Payments (Non-LOSP)		
Residential - LOSP Tenant Assistance Payments		
Commercial Space		
Residential Parking		
Miscellaneous Rent Income		
Supportive Services Income		
Interest Income - Project Operations		
Laundry and Vending		
Tenant Charges		
Miscellaneous Residential Income		
Other Commercial Income		
Withdrawal from Capitalized Reserve (deposit to operating account)		
Other Income		
	Gross Potential Income	
Vacancy Loss - Residential - Tenant Rents		
Vacancy Loss - Residential - Tenant Assistance Payments		
Vacancy Loss - Commercial		
	EFFECTIVE GROSS INCOME	
OPERATING EXPENSES		
Management		
Management Fee		
Asset Management Fee		
	Sub-total	
Salaries/Benefits		
Office Salaries		
Manager's Salary		
Health Insurance and Other Benefits		

Other Salaries/Benefits		
Administrative Rent-Free Unit		
	Sub-total	
Administration		
Advertising and Marketing		
Office Expenses		
Office Rent		
Legal Expense - Property		
Audit Expense		
Bookkeeping/Accounting Services		
Bad Debts		
Miscellaneous		
	Sub-total	
Utilities		
Electricity		
Water		
Gas		
Sewer		
	Sub-total	
Taxes and Licenses		
Real Estate Taxes		
Payroll Taxes		
Miscellaneous Taxes, Licenses and Permits		
	Sub-total	
Insurance		
Property and Liability Insurance		
Fidelity Bond Insurance		
Worker's Compensation		
Director's & Officers' Liability Insurance		
	Sub-total	
Maintenance & Repair		
Payroll		
Supplies		
Contracts		
Garbage and Trash Removal		
Security Payroll/Contract		
HVAC Repairs and Maintenance		
Vehicle and Maintenance Equipment Operation and Repairs		
Miscellaneous Operating and Maintenance Expenses		
	Sub-total	

Supportive Services		
Commercial Expenses		
TOTAL OPERATING EXPENSES		
Reserves/Ground Lease Base Rent/Bond Fees		
Ground Lease Base Rent		
Bond Monitoring Fee		
Replacement Reserve Deposit		
Operating Reserve Deposit		
Other Required Reserve 1 Deposit		
Other Required Reserve 2 Deposit		
Required Reserve Deposit/s, Commercial		
	Sub-total	
TOTAL OPERATING EXPENSES (w/ Reserves/GL Base Rent/ Bond Fees)		
NET OPERATING INCOME (INCOME minus OP EXPENSES)		
DEBT SERVICE/MUST PAY PAYMENTS		
Hard Debt - First Lender		
Hard Debt - Second Lender (HCD Program 0.42% pymt, or other 2nd Lender)		
Hard Debt - Third Lender (Other HCD Program, or other 3rd Lender)		
TOTAL HARD DEBT SERVICE		
CASH FLOW (NOI minus DEBT SERVICE)		
DEBT SERVICE COVERAGE RATIO		

I certify that the information contained herein is true and accurate.

Authorized signatory: _____

Name: _____

Date: _____

Free Recording Requested Pursuant to
Government Code Sections 27383 and 27388.1

When recorded, mail to:
Mayor's Office of Housing and Community Development
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn: Housing Loan Administrator

-----Space Above This Line for Recorder's Use-----

1135, 1155 and 1175 Ellis Street
San Francisco, CA 94109
Assessor's Lot 031, Block 0735

PURCHASE OPTION AGREEMENT

THIS PURCHASE OPTION AGREEMENT (the “**Agreement**”) is made and entered into as of February ____, 2025 (the “**Effective Date**”), by and among **1155 Ellis GP LLC**, a California limited liability company (“**Owner**”), Turk Street, Inc., a California nonprofit public benefit corporation (“**Sponsor**”) and the City and County of San Francisco, a municipal corporation (“**City**”), represented by the Mayor, acting by and through the Mayor’s Office of Housing and Community Development (“**MOHCD**”), with reference to the following recitals of fact:

R E C I T A L S:

A. Owner owns that certain real property located in the City and County of San Francisco, State of California, and more particularly described on the attached Exhibit A, incorporated herein by this reference, and certain improvements thereon (the “**Property**”), commonly known as 1135, 1155 and 1175 Ellis Street, a multi-family development consisting of 108 low to moderate residential income units (the Property together with the tangible and intangible personal property directly related to the operation, management, and ownership of the Property in the possession or control of Owner, including all cash accounts, deposits, and reserves held by Owner, the “**Project**”).

B. MOHCD administers the Small Sites Acquisition and Rehabilitation Program (“**Small Sites Program**,”) for the purpose of preserving and stabilizing San Francisco’s existing rental housing stock of buildings that are occupied by low- to moderate-income tenants who are vulnerable to displacement due to market-driven increases in evictions. The Small Sites Program helps San Franciscans avoid displacement eviction by removing small properties from the speculative market, stabilizing housing for current tenants of those properties, and converting the properties to permanently affordable housing. In connection with the Small Sites Program, Owner has recorded or will record a Declaration of Restrictions in favor of the City (the “**Declaration**”).

C. The City regulates the affordability of the Project through the Declaration, and compliance with and the continued enforceability of the Declaration is of paramount importance for the City as the regulator of the Small Sites Program. This Agreement is entered into between Owner and the City as a means of ensuring the affordability of the Project in the event that the Declaration no longer governs the Property or that Owner is in default of the regulatory obligations specified in the Declaration.

D. The term of the Declaration (the “**Compliance Term**”) is as long as the Project or any modification of the Project remains in existence, but in any event no less than ninety-nine (99) years. Although the City is lending funds to Owner for the Project, the regulatory program under the Declaration is separate from the City’s loan, and survives the expiration or repayment of the loan. The purchase option granted by Owner in this Agreement is granted in recognition of the City’s interest in ensuring that the regulatory program pursuant to the Declaration remains in full force and effect. Owner acknowledges and agrees that (i) the City’s interest in this Agreement is as a regulator, as a means of ensuring the continued enforceability of the Declaration, and not in its proprietary capacity, (ii) exercise of the Option is contingent upon the termination, unenforceability, or failure to comply with the Declaration, (iii) Owner intends to provide permanent affordability to low and moderate income households residing at the Project; (iv) the regulatory obligations under the Declaration are separate from repayment of the City’s loan and survive the City’s loan to Owner, (v) exercise of the Option is not dependent upon a monetary default of the City’s loan, and (vi) the Option is not a security instrument intended to circumvent California foreclosure law.

E. In connection with the Project, and in consideration of the foregoing, Owner desires to grant to the City an option to purchase the Project in certain limited circumstances.

F. Owner and City desire to set forth the terms of the option from Owner to the City.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties to this Agreement agree as follows:

A G R E E M E N T:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein.
2. Grant of Option. Owner grants to the City an option (the “**Option**”) to purchase the Project on the terms and conditions set forth in this Agreement. Owner acknowledges that the grant of the Option is supported by valuable consideration received by Owner, including the City's loan.
 - (a) Exercise Period. The period during which the City will have the right to exercise the Option will commence on the Effective Date and expire ninety-nine (99) years after the recording date of the Declaration of Restrictions (the “**Option Term**”). On request by the City, Owner will provide (and the City and/or its designee may conduct) any physical and documentary due diligence of the Project as the City may determine is necessary (provided, however, any

destructive testing of the Project will require the prior consent of Owner in its reasonable discretion). Owner will cooperate with the City in such due diligence. At any time, City may deliver a written notice to Owner requesting Owner to select the appraisers under Section 3 below (the "**Appraisal Notice**"). Upon receipt of the Appraisal Notice, Owner will have thirty (30) days to provide the list of selected appraisers to City.

(b) Exercise Notice. As a condition precedent to City's Option rights, City may only exercise the Option if, during the Option Term, (i) the Declaration is terminated or is unenforceable for any reason, or (ii) in City's reasonable judgment the Declaration will be terminated or be rendered unenforceable, or (iii) Owner fails to comply with the affordability restrictions set forth in the Declaration, or (iv) if, after the City's loan for the Project is repaid, Owner receives any bona fide written offer to purchase the Project or any interest therein, or intends to transfer the Project or any interest therein, then Owner must provide City an Offer Notice (defined below). In the event Owner fails to comply with the affordability restrictions in the Declaration during the Option Term, City shall provide written notice to Owner and Sponsor of such failure, and Owner and Sponsor shall have sixty (60) days to cure the failure, or, if such failure cannot be cured within such sixty (60) day period, such longer period as is reasonably necessary to cure such default, provided that such cure has been commenced within such sixty (60) day period and is being prosecuted diligently to completion. For avoidance of doubt, Sponsor has the right, but not the obligation, to cure any such default, and if Sponsor cures such default within the cure period, City will accept such action as curing the respective default. City may exercise the Option by delivering to Owner written notice of the exercise (the "**Exercise Notice**"). The date of delivery of the Exercise Notice will be the first day of the escrow period set forth in Section 4 below. "**Offer Notice**" means a written notice from Owner to the City containing all material terms of the offer to purchase or proposed transfer of the Project. Owner will not accept any offer or transfer the Project or any interest therein for a least one hundred twenty (120) days after delivering the Offer Notice to the City, to allow the City to determine if it will exercise its Option.

(c) Option Purchase Price. If City purchases the Project pursuant to the Option, then the purchase price for the Project will be the fair market value of the Project for purposes of this subsection, determined as follows: The fair market value of the Project will be determined by an appraisal that: (i) takes into account the net balances of all of the applicable Project cash accounts; (ii) disregards the determination of the amount of indebtedness and taxes; (iii) values the Project as restricted to low and moderate income housing development as provided in the Declaration; (iv) takes into account any loan agreements or regulatory agreements pertaining to the Project; and (v) takes into account the terms of any assumable financing. Any appraiser performing an appraisal under this Agreement must be a member of the Appraisal Institute with not less than five (5) years' experience valuing projects like the Project in the geographic area where the Project is located. Within thirty (30) days after Owner receives an Appraisal Notice or Exercise Notice, Owner will notify City of Owner's determination of the fair market value for the Project in consideration of all of the assumptions and other criteria set forth in this subsection above. If City disputes Owner's determination of the fair market value, City will notify Owner within fourteen (14) days after Owner's notice to City of the fair market value and the dispute will be resolved as follows:

(i) Within thirty (30) days after Owner's notice to City of the fair market value, Owner and City will attempt in good faith to meet no less than two (2) times, at a mutually agreeable time and place, to attempt to resolve the disagreement.

(ii) If within that thirty (30)-day period Owner and City cannot agree on the fair market value, then each will select one appraiser to determine the fair market value. Within thirty (30) days after the expiration of the thirty (30) day consultation period, each party will cause its appraiser to prepare and complete an appraisal report determining the fair market value and submit the report to Owner and City.

(iii) If only one appraisal report is submitted within that 30-day period, then the fair market value determined in that appraisal report will be used to establish the Purchase Price for the Project. If both appraisal reports are submitted within the 30-day period, and if the fair market values determined in the two appraisal reports differ by less than ten percent (10%) of the higher of the two, then the average of the two will be the fair market value. If the fair market value in the two appraisal reports differ by more than ten percent (10%) of the higher of the two, then the two appraisers will immediately select a third appraiser. Within thirty (30) days after the third appraiser is selected, the third appraiser will prepare an appraisal report determining the fair market value and submit the report to Owner and City. The fair market value determined in the third appraisal report will then be averaged with the closer of the fair market values from the two previous appraisals and the result will be the fair market value.

(iv) If City's Director of Property does not approve the fair market value as determined by the appraisal procedure specified above, the Director of Property may revoke City's exercise of the Extension Option. Owner and City will pay the cost of the appraiser it selects and one-half of the cost of the third appraiser.

3. Completion of Sale.

(a) Permitted Encumbrances. Within ten (10) business days after Owner receives an Exercise Notice, Owner will deliver to the City a current preliminary title report issued by a title company reasonably acceptable to the City showing such encumbrances and exceptions to title insurance coverage. Owner will convey fee simple title to the Property by grant deed subject only to all encumbrances, easements, covenants, conditions, restrictions, and other matters of record as of the Effective Date (excluding however, and free and clear of, the lien of any contractor, supplier materials provider, or the lien of any deeds of trust or other encumbrances securing any indebtedness of Owner), and any Permitted Future Encumbrances (as defined below), any off record matters ascertainable by an inspection or survey of the Project, interests of parties in possession, zoning and other laws applicable to the Project, and the lien not yet delinquent for taxes for real property, and any non-delinquent general or special assessments against the real property (collectively, "**Approved Title Exceptions**"). Owner will cause a title company to issue, upon close of escrow, an ALTA or CLTA (as the City elects) owner's policy of title insurance dated as of the close of escrow, in an amount equal to the purchase price, showing title to the real property in the Project vested in the City and subject only to Approved Title Exceptions. "**Permitted Future Encumbrances**" means, to the extent reasonably necessary for the operations of the Project as conducted or contemplated to be conducted as of the Effective Date, any third-party easement for utility, data, telecommunications, or ingress and egress; and any reciprocal

easement agreement or covenants, conditions, and restrictions, granted and/or entered into by Owner. Owner will convey unencumbered title to the other property in the Project (including personal property, intangible property, accounts, plans, warranties, records, etc.) by bill of sale, assignment, or other document of conveyance acceptable to the City.

(b) Closing Requirements. The closing of the sale of the Project will be through an escrow opened with a title company reasonably acceptable to the City. Escrow for the sale of the Project will close no later than three hundred sixty-five (365) days after Owner's receipt of the Exercise Notice, unless otherwise agreed upon by Owner and the City. The costs of the sale will be apportioned between Owner and the City according to the custom then in effect in San Francisco County, California. The following will apply to the sale of the Project: (i) the sale of the Project will be on an as-is, where-is basis, with customary representations and warranties, including those implied in a California grant deed; and (ii) rents, insurance, taxes, operating expenses, and debt service then due and payable will be apportioned as of the day the grant deed is actually recorded in the official records of San Francisco County, California. Notwithstanding anything to the contrary contained in this Agreement, if City fails to purchase the Project for any reason after delivery of an Exercise Notice, then the City's liability under this Agreement will be limited solely to the termination of the Option and any other of the City's rights under this Agreement, and Owner will have no right or cause to seek any damages against the City for failure to purchase the Project.

4. No Subordination. The City's Option may not be subordinated to any first tier lien of any deeds of trust or other encumbrances against the Project securing any indebtedness of Owner after the Effective Date without the City's prior written consent, which may be given or withheld in the City's sole discretion.

5. Quitclaim Deed and Termination of Option. Upon termination of the Option, the City agrees, upon Owner's request, to (i) execute and deliver to Owner a quitclaim deed, releasing all of the City's rights, title, and interest in and to the Project, and (ii) execute, acknowledge, and deliver such other documents as may be reasonably required by Owner's title company to remove the cloud of the Option from title to the Project.

6. Notices. Notices, demands, and communications between the parties must be in writing and will be served personally or by United States mail, sent certified, return receipt requested, post prepaid, and,

if intended for Owner, or Sponsor, addressed to:

1155 Ellis GP LLC
c/o Turk Street Inc.
201 Eddy Street
San Francisco, CA 94102
Attn: Chief Executive Officer

With a Copy to:

Goldfarb & Lipman LLP
1300 Clay Street

Eleventh Floor
Oakland, CA 94612
Attn: William F. DiCamillo

if intended for the City, addressed to:

Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Re: 1135, 1155 and 1175 Ellis Street Option to Purchase
Attn: Director

with copies of all notices to be sent to:

City and County of San Francisco
Real Estate Division
25 Van Ness Avenue, Suite 400
San Francisco, CA 94102
Attn: Director of Property

or to such address as a party may have furnished to the other in writing as a place for the service or notice. Any notice delivered personally or so mailed will be deemed to have been received on the delivery date, or the date that delivery is refused by the addressee, as shown in the records of the deliverer or on the return receipt, as applicable.

7. Attorney's Fees. In the event of any action or proceeding at law or in equity between any of the parties to this Agreement to enforce any provision of this Agreement or to protect or establish any right or remedy of a party, the unsuccessful party to the litigation will pay to the prevailing party all costs and expenses, including, without limitation, reasonable attorneys' fees incurred by the prevailing party, and if the prevailing party recovers judgment in any action or proceeding, the costs, expenses, and attorney's fees will be included in and as part of the judgment. For purposes of this Agreement, reasonable fees of in-house attorneys for the any of the parties to this Agreement will be based on the fees regularly charged by private attorneys (a) in San Francisco law firms of similar size as the in-house legal department; and (b) with an equivalent number of years of professional experience in the subject matter area of the law for which such attorney's services were rendered.

8. Miscellaneous.

(a) Each party to this Agreement represents and warrants that it has not had or will have any dealings with any person, firm, broker, or finder in connection with the negotiation of this Agreement and/or the consummation of the transaction contemplated under this Agreement. Each party to this Agreement will indemnify and hold harmless the other parties from and against costs, expenses, and liabilities for compensation, commissions, or charges that may be claimed by any broker, finder, or similar party because of any actions of the indemnifying party.

(b) The rights and obligations of the parties under this Agreement will inure to the benefit of, and will bind their respective successors and assigns, including any successor to the interest of Owner in and to the Project. Upon any transfer or conveyance of the Project or any interest therein or in Sponsor where the prior consent of the City is required by the terms of any agreement to which Owner and/or the Sponsor is a party, in addition to such conditions as the City may be entitled to impose under the other agreements, the Sponsor and/or the transferee will execute any documentation reasonably required by the City to acknowledge and affirm the City's option under this Agreement. The Option is assignable by City on prior written notice to, but otherwise without the consent of, the Owner. Notwithstanding anything to the contrary contained in this Agreement, the City's obligation to purchase the Project after exercise of the Option will be conditioned on the approval and authorization of such transaction by the City's Board of Supervisors and Mayor, each in their sole and absolute discretion. This condition will not be required if the City assigns its rights under this Agreement to a third party.

(c) The captions used in this Agreement are for convenience of reference only and are not part of this Agreement and do not in any way limit or amplify the terms and provisions hereof.

(d) Time is of the essence of each and every agreement, covenant, and condition of this Agreement.

(e) This Agreement will be interpreted in accordance with, and governed by, the laws of the State of California.

(f) This Agreement constitutes the entire agreement by and among the parties with respect to the grant of the City of an option to purchase the Project unrelated to the right of City as a lender under any loan made by the City to Owner, and supersedes all prior offers and negotiations, oral and written. This Agreement may not be amended or modified in any respect whatsoever except by an instrument in writing signed by the parties; provided, however, no amendment or modification will be effective unless consented to in writing by the parties.

(g) The parties will record a Memorandum of Purchase Option Agreement in the Official Records of the City and County of San Francisco, California evidencing the rights of the City under this Agreement, in form and substance reasonably acceptable to the City.

9. Assignment of Option. In the event that City exercises its rights to the Option pursuant to this Agreement, City may assign this Agreement and all of City's rights hereunder to a corporation that is tax-exempt under Section 501(c)(3) of the U.S. Internal Revenue Code and that is qualified to own and operate housing developments for low income persons; provided, however, that any such assignment shall be subject to all of the terms of this Agreement. City's right to assign pursuant to the preceding sentence shall only be permitted after City elects to exercise its rights to the Option, pursuant to this Agreement. City shall give prior written notice of any permitted assignment to the parties hereto and any such assignee shall enter into a written agreement accepting the assignment and assuming all of City's obligations under this Agreement. Except as specifically permitted herein, City's rights hereunder shall not be assignable.

IN WITNESS WHEREOF, Owner, City, and Sponsor have executed this Agreement as of the date first above written.

OWNER:

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

[Signatures Continue on Following Page]

SPONSOR:

Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

[Signatures Continue on Following Page]

CITY:

CITY AND COUNTY OF SAN FRANCISCO,
a municipal corporation

By: _____
Daniel Adams
Director, Mayor's Office of Housing
and Community Development

APPROVED AS TO FORM:

DAVID CHIU
City Attorney

By: _____
Elizabeth A. Dietrich
Deputy City Attorney

Exhibit A

Legal Description

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

A portion of Lot 7, In Block 735, according to Map entitled "Official Map of the Western Addition Redevelopment Project Area A-1, San Francisco, California", filed December 13, 1960, in Book "S" of Maps, at Pages 78 to 82, inclusive, in the Office of the County Recorder of the City and County of San Francisco, State of California, particularly described as follows:

Beginning at the Northeast corner of said Lot 7; running thence Westerly along the Northerly line of Lot 7 a distance of 466.875 feet; Thence at a right angle southerly 137.50 feet; Thence at a right angle Easterly 466.875 feet to the Easterly line of Lot 7; Thence at a right angle Northerly along said Easterly line of Lot 7, a distance of 137.50 feet to the point of beginning.

Assessor's Lot 031; Block 0735

Street Address:

1135, 1155 and 1175 Ellis Street
San Francisco, CA 94102

SECURED PROMISSORY NOTE

PASS Series A – Market Rate Loan
(Normandy Apartments)

Principal Amount: \$933,904.00

San Francisco, CA

Date: [Date]

FOR VALUE RECEIVED, the undersigned, **1155 Ellis GP LLC**, a California limited liability company ("**Maker**"), hereby promises to pay to the order of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, or holder (as the case may be, "**Holder**"), the principal sum of Nine Hundred Thirty-Three Thousand Nine Hundred and Four and No/100 Dollars (\$933,904.00) (the "**Series A Market Rate Loan Amount**"), or so much of the Series A Market Rate Loan Amount as may be disbursed from time to time pursuant to the Agreement described in Section 1 below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("**Note**") is given under the terms of a Loan Agreement by and between Maker and Holder dated as of the date of this Note, as it may be amended from time to time (the "**Agreement**"), which Agreement is incorporated herein by reference. Maker's obligations under this Note and the Agreement are secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (PASS Program) dated as of the date of this Note, made by Maker for the benefit of Holder (the "**PASS Deed of Trust**"). Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of 5.16725% per annum, from the date of the close of escrow through the date of full payment of all amounts owing under the City Documents. Interest will be compounded monthly and computed on the basis of a 360-day year consisting of 12 months of 30 days each, which will result in higher interest charges than if a 365-day year were used.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, interest will be deemed to have accrued on the outstanding principal balance of the Series A Market Rate Loan at a compounded annual rate equal to ten percent (10%), commencing on the date of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the City Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient, and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any City Document.

4. Repayment of Series A Market Rate Loan. Maker must make payments of principal and interest in monthly installments (each, a "**Payment**") equal to the amount specified by the amortization schedule attached as Exhibit A. All Payments will be applied to the following in the following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid

interest; and (c) reduction of the principal balance of the Series A Market Rate Loan. The unpaid principal balance of the Series A Market Rate Loan, together with accrued and unpaid interest and unpaid fees and costs incurred, will be due and payable on the date that is the fortieth (40th) anniversary of the First Payment Date as defined in Section 6.5 (the "**Maturity Date**"). Any Payment Date, including the Maturity Date, that falls on a weekend or holiday will be deemed to fall on the next succeeding business day.

5. Security. Maker's obligations under this Note are secured by the PASS Deed of Trust.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Holder will have the right in its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 No prepayment of this Note shall be permitted except as otherwise set forth in this Note or in the Agreement. This Note may be prepaid on or after the tenth anniversary of the first day of the first full month following the date that the PASS Deed of Trust is recorded in the Recorder's Office of San Francisco County (the "**First Payment Date**"). On or after the tenth anniversary of the First Payment Date, the Series A Market Rate Loan may be prepaid, in whole but not in part, and Maker shall be required to pay a premium of: (i) 2% of the total amount being prepaid if the Series A Market Rate Loan is prepaid prior to the eleventh anniversary of the First Payment Date; (ii) 1% of the total amount being prepaid if the Series A Market Rate Loan is prepaid on or after the eleventh anniversary of the First Payment Date and prior to the twelfth anniversary of the First Payment Date; or (iii) no prepayment premium or penalty if the Series A Market Rate Loan is prepaid on or after the twelfth anniversary of the First Payment Date. The Series A Market Rate Loan may not be prepaid unless the Series C Market Rate Loan, the Deferred Loan and the BMR Loan, and in Holder's sole discretion, the SSP Loan, are also all paid in full. Maker shall provide Holder with at least thirty (30) days' prior written notice of any intended prepayments. Maker shall be required to pay any premiums, and proportionate costs and expenses associated with the redemption of the Bonds which would result from a prepayment of the Series A Market Rate Loan including, but not limited to, accrued interest on the Bonds from the date of such prepayment to the date of redemption of the Bonds.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Project, including without limitation, the SSP Note, the Series A Market Rate Note, the Deferred Notes, and the BMR Notes.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the City Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the Series A Market Rate Loan (along with the Series C Market Rate Loan, BMR Loan, the Deferred Loan, and the SSP Loan), together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

7.3 Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the PASS Deed of Trust, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the Series A Market Rate Loan, provided, however, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the City Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover sums arising under any obligation of Maker to indemnify Holder of sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including Series A Market Rate Loan funds and Rents), waste or negligent or intentional damage to the collateral for the Series A Market Rate Loan.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

"MAKER"

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

EXHIBIT A

Amortization Schedule Attached.

EXHIBIT A

Project Name: Normandy Apartments
Sponsor: Tenderloin Neighborhood Development Corporation

Loan Amount	933,904.00
Rate	5.16725%
Term	40
Amortization	40
Monthly Payment	4,607.19

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
1	3/1/2025	933,904.00	4,607.19	3,243.18	778.25	585.76	933,318.24
2	4/1/2025	933,318.24	4,607.19	3,241.14	777.77	588.28	932,729.96
3	5/1/2025	932,729.96	4,607.19	3,239.10	777.27	590.82	932,139.14
4	6/1/2025	932,139.14	4,607.19	3,237.05	776.78	593.36	931,545.78
5	7/1/2025	931,545.78	4,607.19	3,234.99	776.28	595.92	930,949.86
6	8/1/2025	930,949.86	4,607.19	3,232.92	775.79	598.48	930,351.38
7	9/1/2025	930,351.38	4,607.19	3,230.84	775.29	601.06	929,750.32
8	10/1/2025	929,750.32	4,607.19	3,228.75	774.79	603.65	929,146.67
9	11/1/2025	929,146.67	4,607.19	3,226.66	774.28	606.25	928,540.42
10	12/1/2025	928,540.42	4,607.19	3,224.55	773.78	608.86	927,931.56
11	1/1/2026	927,931.56	4,607.19	3,222.44	773.27	611.48	927,320.08
12	2/1/2026	927,320.08	4,607.19	3,220.31	772.77	614.11	926,705.97
13	3/1/2026	926,705.97	4,607.19	3,218.18	772.25	616.76	926,089.21
14	4/1/2026	926,089.21	4,607.19	3,216.04	771.74	619.41	925,469.80
15	5/1/2026	925,469.80	4,607.19	3,213.89	771.22	622.08	924,847.72
16	6/1/2026	924,847.72	4,607.19	3,211.73	770.70	624.76	924,222.96
17	7/1/2026	924,222.96	4,607.19	3,209.56	770.18	627.45	923,595.51
18	8/1/2026	923,595.51	4,607.19	3,207.38	769.66	630.15	922,965.36
19	9/1/2026	922,965.36	4,607.19	3,205.19	769.14	632.86	922,332.50
20	10/1/2026	922,332.50	4,607.19	3,202.99	768.61	635.59	921,696.91
21	11/1/2026	921,696.91	4,607.19	3,200.78	768.09	638.32	921,058.59
22	12/1/2026	921,058.59	4,607.19	3,198.57	767.55	641.07	920,417.52
23	1/1/2027	920,417.52	4,607.19	3,196.34	767.02	643.83	919,773.69
24	2/1/2027	919,773.69	4,607.19	3,194.11	766.47	646.61	919,127.08
25	3/1/2027	919,127.08	4,607.19	3,191.86	765.94	649.39	918,477.69
26	4/1/2027	918,477.69	4,607.19	3,189.61	765.39	652.19	917,825.50
27	5/1/2027	917,825.50	4,607.19	3,187.34	764.85	655.00	917,170.50
28	6/1/2027	917,170.50	4,607.19	3,185.07	764.30	657.82	916,512.68
29	7/1/2027	916,512.68	4,607.19	3,182.78	763.76	660.65	915,852.03
30	8/1/2027	915,852.03	4,607.19	3,180.49	763.21	663.49	915,188.54
31	9/1/2027	915,188.54	4,607.19	3,178.18	762.66	666.35	914,522.19
32	10/1/2027	914,522.19	4,607.19	3,175.87	762.10	669.22	913,852.97
33	11/1/2027	913,852.97	4,607.19	3,173.54	761.55	672.10	913,180.87
34	12/1/2027	913,180.87	4,607.19	3,171.21	760.98	675.00	912,505.87
35	1/1/2028	912,505.87	4,607.19	3,168.87	760.42	677.90	911,827.97
36	2/1/2028	911,827.97	4,607.19	3,166.51	759.86	680.82	911,147.15
37	3/1/2028	911,147.15	4,607.19	3,164.15	759.29	683.75	910,463.40
38	4/1/2028	910,463.40	4,607.19	3,161.77	758.72	686.70	909,776.70
39	5/1/2028	909,776.70	4,607.19	3,159.39	758.15	689.65	909,087.05
40	6/1/2028	909,087.05	4,607.19	3,156.99	757.58	692.62	908,394.43
41	7/1/2028	908,394.43	4,607.19	3,154.59	756.99	695.61	907,698.82
42	8/1/2028	907,698.82	4,607.19	3,152.17	756.42	698.60	907,000.22
43	9/1/2028	907,000.22	4,607.19	3,149.75	755.83	701.61	906,298.61
44	10/1/2028	906,298.61	4,607.19	3,147.31	755.25	704.63	905,593.98
45	11/1/2028	905,593.98	4,607.19	3,144.86	754.67	707.66	904,886.32
46	12/1/2028	904,886.32	4,607.19	3,142.41	754.07	710.71	904,175.61
47	1/1/2029	904,175.61	4,607.19	3,139.94	753.48	713.77	903,461.84
48	2/1/2029	903,461.84	4,607.19	3,137.46	752.88	716.85	902,744.99
49	3/1/2029	902,744.99	4,607.19	3,134.97	752.29	719.93	902,025.06
50	4/1/2029	902,025.06	4,607.19	3,132.47	751.69	723.03	901,302.03
51	5/1/2029	901,302.03	4,607.19	3,129.96	751.08	726.15	900,575.88
52	6/1/2029	900,575.88	4,607.19	3,127.44	750.48	729.27	899,846.61
53	7/1/2029	899,846.61	4,607.19	3,124.90	749.88	732.41	899,114.20
54	8/1/2029	899,114.20	4,607.19	3,122.36	749.26	735.57	898,378.63
55	9/1/2029	898,378.63	4,607.19	3,119.81	748.65	738.73	897,639.90
56	10/1/2029	897,639.90	4,607.19	3,117.24	748.03	741.92	896,897.98
57	11/1/2029	896,897.98	4,607.19	3,114.67	747.41	745.11	896,152.87
58	12/1/2029	896,152.87	4,607.19	3,112.08	746.79	748.32	895,404.55

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
59	1/1/2030	895,404.55	4,607.19	3,109.48	746.17	751.54	894,653.01
60	2/1/2030	894,653.01	4,607.19	3,106.87	745.54	754.78	893,898.23
61	3/1/2030	893,898.23	4,607.19	3,104.25	744.91	758.03	893,140.20
62	4/1/2030	893,140.20	4,607.19	3,101.62	744.28	761.29	892,378.91
63	5/1/2030	892,378.91	4,607.19	3,098.97	743.65	764.57	891,614.34
64	6/1/2030	891,614.34	4,607.19	3,096.32	743.01	767.86	890,846.48
65	7/1/2030	890,846.48	4,607.19	3,093.65	742.37	771.17	890,075.31
66	8/1/2030	890,075.31	4,607.19	3,090.97	741.73	774.49	889,300.82
67	9/1/2030	889,300.82	4,607.19	3,088.28	741.09	777.82	888,523.00
68	10/1/2030	888,523.00	4,607.19	3,085.58	740.44	781.17	887,741.83
69	11/1/2030	887,741.83	4,607.19	3,082.87	739.78	784.54	886,957.29
70	12/1/2030	886,957.29	4,607.19	3,080.14	739.14	787.91	886,169.38
71	1/1/2031	886,169.38	4,607.19	3,077.41	738.47	791.31	885,378.07
72	2/1/2031	885,378.07	4,607.19	3,074.66	737.81	794.72	884,583.35
73	3/1/2031	884,583.35	4,607.19	3,071.90	737.15	798.14	883,785.21
74	4/1/2031	883,785.21	4,607.19	3,069.13	736.49	801.57	882,983.64
75	5/1/2031	882,983.64	4,607.19	3,066.34	735.82	805.03	882,178.61
76	6/1/2031	882,178.61	4,607.19	3,063.55	735.15	808.49	881,370.12
77	7/1/2031	881,370.12	4,607.19	3,060.74	734.48	811.97	880,558.15
78	8/1/2031	880,558.15	4,607.19	3,057.92	733.80	815.47	879,742.68
79	9/1/2031	879,742.68	4,607.19	3,055.09	733.12	818.98	878,923.70
80	10/1/2031	878,923.70	4,607.19	3,052.25	732.43	822.51	878,101.19
81	11/1/2031	878,101.19	4,607.19	3,049.39	731.75	826.05	877,275.14
82	12/1/2031	877,275.14	4,607.19	3,046.52	731.06	829.61	876,445.53
83	1/1/2032	876,445.53	4,607.19	3,043.64	730.37	833.18	875,612.35
84	2/1/2032	875,612.35	4,607.19	3,040.75	729.67	836.77	874,775.58
85	3/1/2032	874,775.58	4,607.19	3,037.84	728.98	840.37	873,935.21
86	4/1/2032	873,935.21	4,607.19	3,034.92	728.28	843.99	873,091.22
87	5/1/2032	873,091.22	4,607.19	3,031.99	727.58	847.62	872,243.60
88	6/1/2032	872,243.60	4,607.19	3,029.05	726.87	851.27	871,392.33
89	7/1/2032	871,392.33	4,607.19	3,026.09	726.16	854.94	870,537.39
90	8/1/2032	870,537.39	4,607.19	3,023.12	725.45	858.62	869,678.77
91	9/1/2032	869,678.77	4,607.19	3,020.14	724.73	862.32	868,816.45
92	10/1/2032	868,816.45	4,607.19	3,017.15	724.01	866.03	867,950.42
93	11/1/2032	867,950.42	4,607.19	3,014.14	723.29	869.76	867,080.66
94	12/1/2032	867,080.66	4,607.19	3,011.12	722.57	873.50	866,207.16
95	1/1/2033	866,207.16	4,607.19	3,008.08	721.84	877.27	865,329.89
96	2/1/2033	865,329.89	4,607.19	3,005.04	721.11	881.04	864,448.85
97	3/1/2033	864,448.85	4,607.19	3,001.98	720.37	884.84	863,564.01
98	4/1/2033	863,564.01	4,607.19	2,998.91	719.63	888.65	862,675.36
99	5/1/2033	862,675.36	4,607.19	2,995.82	718.90	892.47	861,782.89
100	6/1/2033	861,782.89	4,607.19	2,992.72	718.15	896.32	860,886.57
101	7/1/2033	860,886.57	4,607.19	2,989.61	717.40	900.18	859,986.39
102	8/1/2033	859,986.39	4,607.19	2,986.48	716.66	904.05	859,082.34
103	9/1/2033	859,082.34	4,607.19	2,983.34	715.90	907.95	858,174.39
104	10/1/2033	858,174.39	4,607.19	2,980.19	715.14	911.86	857,262.53
105	11/1/2033	857,262.53	4,607.19	2,977.02	714.39	915.78	856,346.75
106	12/1/2033	856,346.75	4,607.19	2,973.84	713.62	919.73	855,427.02
107	1/1/2034	855,427.02	4,607.19	2,970.65	712.85	923.69	854,503.33
108	2/1/2034	854,503.33	4,607.19	2,967.44	712.09	927.66	853,575.67
109	3/1/2034	853,575.67	4,607.19	2,964.22	711.31	931.66	852,644.01
110	4/1/2034	852,644.01	4,607.19	2,960.98	710.54	935.67	851,708.34
111	5/1/2034	851,708.34	4,607.19	2,957.73	709.76	939.70	850,768.64
112	6/1/2034	850,768.64	4,607.19	2,954.47	708.98	943.74	849,824.90
113	7/1/2034	849,824.90	4,607.19	2,951.19	708.19	947.81	848,877.09
114	8/1/2034	848,877.09	4,607.19	2,947.90	707.40	951.89	847,925.20
115	9/1/2034	847,925.20	4,607.19	2,944.60	706.60	955.99	846,969.21
116	10/1/2034	846,969.21	4,607.19	2,941.28	705.80	960.11	846,009.10
117	11/1/2034	846,009.10	4,607.19	2,937.94	705.01	964.24	845,044.86
118	12/1/2034	845,044.86	4,607.19	2,934.59	704.21	968.39	844,076.47
119	1/1/2035	844,076.47	4,607.19	2,931.23	703.40	972.56	843,103.91
120	2/1/2035	843,103.91	4,607.19	2,927.85	702.59	976.75	842,127.16
121	3/1/2035	842,127.16	4,607.19	2,924.46	701.77	980.96	841,146.20
122	4/1/2035	841,146.20	4,607.19	2,921.06	700.95	985.18	840,161.02
123	5/1/2035	840,161.02	4,607.19	2,917.63	700.14	989.42	839,171.60
124	6/1/2035	839,171.60	4,607.19	2,914.20	699.31	993.68	838,177.92
125	7/1/2035	838,177.92	4,607.19	2,910.75	698.48	997.96	837,179.96

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
126	8/1/2035	837,179.96	4,607.19	2,907.28	697.65	1,002.26	836,177.70
127	9/1/2035	836,177.70	4,607.19	2,903.80	696.82	1,006.57	835,171.13
128	10/1/2035	835,171.13	4,607.19	2,900.31	695.97	1,010.91	834,160.22
129	11/1/2035	834,160.22	4,607.19	2,896.80	695.13	1,015.26	833,144.96
130	12/1/2035	833,144.96	4,607.19	2,893.27	694.29	1,019.63	832,125.33
131	1/1/2036	832,125.33	4,607.19	2,889.73	693.44	1,024.02	831,101.31
132	2/1/2036	831,101.31	4,607.19	2,886.17	692.59	1,028.43	830,072.88
133	3/1/2036	830,072.88	4,607.19	2,882.60	691.73	1,032.86	829,040.02
134	4/1/2036	829,040.02	4,607.19	2,879.01	690.87	1,037.31	828,002.71
135	5/1/2036	828,002.71	4,607.19	2,875.41	690.00	1,041.78	826,960.93
136	6/1/2036	826,960.93	4,607.19	2,871.79	689.14	1,046.26	825,914.67
137	7/1/2036	825,914.67	4,607.19	2,868.16	688.26	1,050.77	824,863.90
138	8/1/2036	824,863.90	4,607.19	2,864.51	687.39	1,055.29	823,808.61
139	9/1/2036	823,808.61	4,607.19	2,860.85	686.50	1,059.84	822,748.77
140	10/1/2036	822,748.77	4,607.19	2,857.17	685.62	1,064.40	821,684.37
141	11/1/2036	821,684.37	4,607.19	2,853.47	684.74	1,068.98	820,615.39
142	12/1/2036	820,615.39	4,607.19	2,849.76	683.84	1,073.59	819,541.80
143	1/1/2037	819,541.80	4,607.19	2,846.03	682.95	1,078.21	818,463.59
144	2/1/2037	818,463.59	4,607.19	2,842.29	682.05	1,082.85	817,380.74
145	3/1/2037	817,380.74	4,607.19	2,838.52	681.16	1,087.51	816,293.23
146	4/1/2037	816,293.23	4,607.19	2,834.75	680.24	1,092.20	815,201.03
147	5/1/2037	815,201.03	4,607.19	2,830.96	679.33	1,096.90	814,104.13
148	6/1/2037	814,104.13	4,607.19	2,827.15	678.42	1,101.62	813,002.51
149	7/1/2037	813,002.51	4,607.19	2,823.32	677.50	1,106.37	811,896.14
150	8/1/2037	811,896.14	4,607.19	2,819.48	676.58	1,111.13	810,785.01
151	9/1/2037	810,785.01	4,607.19	2,815.62	675.65	1,115.92	809,669.09
152	10/1/2037	809,669.09	4,607.19	2,811.74	674.73	1,120.72	808,548.37
153	11/1/2037	808,548.37	4,607.19	2,807.85	673.79	1,125.55	807,422.82
154	12/1/2037	807,422.82	4,607.19	2,803.94	672.86	1,130.39	806,292.43
155	1/1/2038	806,292.43	4,607.19	2,800.02	671.91	1,135.26	805,157.17
156	2/1/2038	805,157.17	4,607.19	2,796.08	670.96	1,140.15	804,017.02
157	3/1/2038	804,017.02	4,607.19	2,792.12	670.01	1,145.06	802,871.96
158	4/1/2038	802,871.96	4,607.19	2,788.14	669.06	1,149.99	801,721.97
159	5/1/2038	801,721.97	4,607.19	2,784.15	668.10	1,154.94	800,567.03
160	6/1/2038	800,567.03	4,607.19	2,780.14	667.13	1,159.92	799,407.11
161	7/1/2038	799,407.11	4,607.19	2,776.11	666.17	1,164.91	798,242.20
162	8/1/2038	798,242.20	4,607.19	2,772.06	665.20	1,169.93	797,072.27
163	9/1/2038	797,072.27	4,607.19	2,768.00	664.23	1,174.96	795,897.31
164	10/1/2038	795,897.31	4,607.19	2,763.92	663.25	1,180.02	794,717.29
165	11/1/2038	794,717.29	4,607.19	2,759.82	662.27	1,185.10	793,532.19
166	12/1/2038	793,532.19	4,607.19	2,755.71	661.27	1,190.21	792,341.98
167	1/1/2039	792,341.98	4,607.19	2,751.57	660.29	1,195.33	791,146.65
168	2/1/2039	791,146.65	4,607.19	2,747.42	659.29	1,200.48	789,946.17
169	3/1/2039	789,946.17	4,607.19	2,743.25	658.29	1,205.65	788,740.52
170	4/1/2039	788,740.52	4,607.19	2,739.07	657.28	1,210.84	787,529.68
171	5/1/2039	787,529.68	4,607.19	2,734.86	656.28	1,216.05	786,313.63
172	6/1/2039	786,313.63	4,607.19	2,730.64	655.26	1,221.29	785,092.34
173	7/1/2039	785,092.34	4,607.19	2,726.40	654.24	1,226.55	783,865.79
174	8/1/2039	783,865.79	4,607.19	2,722.14	653.22	1,231.83	782,633.96
175	9/1/2039	782,633.96	4,607.19	2,717.86	652.19	1,237.14	781,396.82
176	10/1/2039	781,396.82	4,607.19	2,713.56	651.17	1,242.46	780,154.36
177	11/1/2039	780,154.36	4,607.19	2,709.25	650.13	1,247.81	778,906.55
178	12/1/2039	778,906.55	4,607.19	2,704.92	649.08	1,253.19	777,653.36
179	1/1/2040	777,653.36	4,607.19	2,700.56	648.05	1,258.58	776,394.78
180	2/1/2040	776,394.78	4,607.19	2,696.19	647.00	1,264.00	775,130.78
181	3/1/2040	775,130.78	4,607.19	2,691.80	645.95	1,269.44	773,861.34
182	4/1/2040	773,861.34	4,607.19	2,687.39	644.89	1,274.91	772,586.43
183	5/1/2040	772,586.43	4,607.19	2,682.97	643.82	1,280.40	771,306.03
184	6/1/2040	771,306.03	4,607.19	2,678.52	642.76	1,285.91	770,020.12
185	7/1/2040	770,020.12	4,607.19	2,674.06	641.68	1,291.45	768,728.67
186	8/1/2040	768,728.67	4,607.19	2,669.57	640.61	1,297.01	767,431.66
187	9/1/2040	767,431.66	4,607.19	2,665.07	639.52	1,302.60	766,129.06
188	10/1/2040	766,129.06	4,607.19	2,660.54	638.44	1,308.21	764,820.85
189	11/1/2040	764,820.85	4,607.19	2,656.00	637.35	1,313.84	763,507.01
190	12/1/2040	763,507.01	4,607.19	2,651.44	636.25	1,319.50	762,187.51
191	1/1/2041	762,187.51	4,607.19	2,646.85	635.16	1,325.18	760,862.33
192	2/1/2041	760,862.33	4,607.19	2,642.25	634.05	1,330.89	759,531.44

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
193	3/1/2041	759,531.44	4,607.19	2,637.63	632.94	1,336.62	758,194.82
194	4/1/2041	758,194.82	4,607.19	2,632.99	631.83	1,342.37	756,852.45
195	5/1/2041	756,852.45	4,607.19	2,628.33	630.71	1,348.15	755,504.30
196	6/1/2041	755,504.30	4,607.19	2,623.65	629.58	1,353.96	754,150.34
197	7/1/2041	754,150.34	4,607.19	2,618.94	628.46	1,359.79	752,790.55
198	8/1/2041	752,790.55	4,607.19	2,614.22	627.33	1,365.64	751,424.91
199	9/1/2041	751,424.91	4,607.19	2,609.48	626.19	1,371.52	750,053.39
200	10/1/2041	750,053.39	4,607.19	2,604.72	625.04	1,377.43	748,675.96
201	11/1/2041	748,675.96	4,607.19	2,599.93	623.90	1,383.36	747,292.60
202	12/1/2041	747,292.60	4,607.19	2,595.13	622.74	1,389.32	745,903.28
203	1/1/2042	745,903.28	4,607.19	2,590.30	621.59	1,395.30	744,507.98
204	2/1/2042	744,507.98	4,607.19	2,585.46	620.42	1,401.31	743,106.67
205	3/1/2042	743,106.67	4,607.19	2,580.59	619.26	1,407.34	741,699.33
206	4/1/2042	741,699.33	4,607.19	2,575.71	618.08	1,413.40	740,285.93
207	5/1/2042	740,285.93	4,607.19	2,570.80	616.90	1,419.49	738,866.44
208	6/1/2042	738,866.44	4,607.19	2,565.87	615.72	1,425.60	737,440.84
209	7/1/2042	737,440.84	4,607.19	2,560.92	614.53	1,431.74	736,009.10
210	8/1/2042	736,009.10	4,607.19	2,555.94	613.35	1,437.90	734,571.20
211	9/1/2042	734,571.20	4,607.19	2,550.95	612.14	1,444.10	733,127.10
212	10/1/2042	733,127.10	4,607.19	2,545.94	610.94	1,450.31	731,676.79
213	11/1/2042	731,676.79	4,607.19	2,540.90	609.73	1,456.56	730,220.23
214	12/1/2042	730,220.23	4,607.19	2,535.84	608.52	1,462.83	728,757.40
215	1/1/2043	728,757.40	4,607.19	2,530.76	607.30	1,469.13	727,288.27
216	2/1/2043	727,288.27	4,607.19	2,525.66	606.07	1,475.46	725,812.81
217	3/1/2043	725,812.81	4,607.19	2,520.54	604.84	1,481.81	724,331.00
218	4/1/2043	724,331.00	4,607.19	2,515.39	603.61	1,488.19	722,842.81
219	5/1/2043	722,842.81	4,607.19	2,510.22	602.37	1,494.60	721,348.21
220	6/1/2043	721,348.21	4,607.19	2,505.03	601.13	1,501.03	719,847.18
221	7/1/2043	719,847.18	4,607.19	2,499.82	599.87	1,507.50	718,339.68
222	8/1/2043	718,339.68	4,607.19	2,494.58	598.62	1,513.99	716,825.69
223	9/1/2043	716,825.69	4,607.19	2,489.33	597.35	1,520.51	715,305.18
224	10/1/2043	715,305.18	4,607.19	2,484.05	596.08	1,527.06	713,778.12
225	11/1/2043	713,778.12	4,607.19	2,478.74	594.82	1,533.63	712,244.49
226	12/1/2043	712,244.49	4,607.19	2,473.42	593.53	1,540.24	710,704.25
227	1/1/2044	710,704.25	4,607.19	2,468.07	592.25	1,546.87	709,157.38
228	2/1/2044	709,157.38	4,607.19	2,462.70	590.96	1,553.53	707,603.85
229	3/1/2044	707,603.85	4,607.19	2,457.30	589.67	1,560.22	706,043.63
230	4/1/2044	706,043.63	4,607.19	2,451.88	588.37	1,566.94	704,476.69
231	5/1/2044	704,476.69	4,607.19	2,446.44	587.07	1,573.68	702,903.01
232	6/1/2044	702,903.01	4,607.19	2,440.98	585.75	1,580.46	701,322.55
233	7/1/2044	701,322.55	4,607.19	2,435.49	584.43	1,587.27	699,735.28
234	8/1/2044	699,735.28	4,607.19	2,429.98	583.11	1,594.10	698,141.18
235	9/1/2044	698,141.18	4,607.19	2,424.44	581.79	1,600.96	696,540.22
236	10/1/2044	696,540.22	4,607.19	2,418.88	580.45	1,607.86	694,932.36
237	11/1/2044	694,932.36	4,607.19	2,413.30	579.11	1,614.78	693,317.58
238	12/1/2044	693,317.58	4,607.19	2,407.69	577.76	1,621.74	691,695.84
239	1/1/2045	691,695.84	4,607.19	2,402.06	576.41	1,628.72	690,067.12
240	2/1/2045	690,067.12	4,607.19	2,396.40	575.06	1,635.73	688,431.39
241	3/1/2045	688,431.39	4,607.19	2,390.72	573.69	1,642.78	686,788.61
242	4/1/2045	686,788.61	4,607.19	2,385.02	572.32	1,649.85	685,138.76
243	5/1/2045	685,138.76	4,607.19	2,379.29	570.95	1,656.95	683,481.81
244	6/1/2045	683,481.81	4,607.19	2,373.53	569.57	1,664.09	681,817.72
245	7/1/2045	681,817.72	4,607.19	2,367.75	568.19	1,671.25	680,146.47
246	8/1/2045	680,146.47	4,607.19	2,361.95	566.79	1,678.45	678,468.02
247	9/1/2045	678,468.02	4,607.19	2,356.12	565.39	1,685.68	676,782.34
248	10/1/2045	676,782.34	4,607.19	2,350.27	563.98	1,692.94	675,089.40
249	11/1/2045	675,089.40	4,607.19	2,344.39	562.57	1,700.23	673,389.17
250	12/1/2045	673,389.17	4,607.19	2,338.48	561.16	1,707.55	671,681.62
251	1/1/2046	671,681.62	4,607.19	2,332.55	559.74	1,714.90	669,966.72
252	2/1/2046	669,966.72	4,607.19	2,326.60	558.30	1,722.29	668,244.43
253	3/1/2046	668,244.43	4,607.19	2,320.62	556.87	1,729.70	666,514.73
254	4/1/2046	666,514.73	4,607.19	2,314.61	555.43	1,737.15	664,777.58
255	5/1/2046	664,777.58	4,607.19	2,308.58	553.98	1,744.63	663,032.95
256	6/1/2046	663,032.95	4,607.19	2,302.52	552.53	1,752.14	661,280.81
257	7/1/2046	661,280.81	4,607.19	2,296.44	551.06	1,759.69	659,521.12
258	8/1/2046	659,521.12	4,607.19	2,290.32	549.61	1,767.26	657,753.86
259	9/1/2046	657,753.86	4,607.19	2,284.19	548.13	1,774.87	655,978.99

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
260	10/1/2046	655,978.99	4,607.19	2,278.02	546.65	1,782.52	654,196.47
261	11/1/2046	654,196.47	4,607.19	2,271.83	545.17	1,790.19	652,406.28
262	12/1/2046	652,406.28	4,607.19	2,265.62	543.67	1,797.90	650,608.38
263	1/1/2047	650,608.38	4,607.19	2,259.37	542.18	1,805.64	648,802.74
264	2/1/2047	648,802.74	4,607.19	2,253.10	540.67	1,813.42	646,989.32
265	3/1/2047	646,989.32	4,607.19	2,246.81	539.15	1,821.23	645,168.09
266	4/1/2047	645,168.09	4,607.19	2,240.48	537.64	1,829.07	643,339.02
267	5/1/2047	643,339.02	4,607.19	2,234.13	536.11	1,836.95	641,502.07
268	6/1/2047	641,502.07	4,607.19	2,227.75	534.58	1,844.86	639,657.21
269	7/1/2047	639,657.21	4,607.19	2,221.34	533.05	1,852.80	637,804.41
270	8/1/2047	637,804.41	4,607.19	2,214.91	531.50	1,860.78	635,943.63
271	9/1/2047	635,943.63	4,607.19	2,208.45	529.95	1,868.79	634,074.84
272	10/1/2047	634,074.84	4,607.19	2,201.96	528.39	1,876.84	632,198.00
273	11/1/2047	632,198.00	4,607.19	2,195.44	526.83	1,884.92	630,313.08
274	12/1/2047	630,313.08	4,607.19	2,188.89	525.26	1,893.04	628,420.04
275	1/1/2048	628,420.04	4,607.19	2,182.32	523.68	1,901.19	626,518.85
276	2/1/2048	626,518.85	4,607.19	2,175.72	522.10	1,909.37	624,609.48
277	3/1/2048	624,609.48	4,607.19	2,169.09	520.50	1,917.60	622,691.88
278	4/1/2048	622,691.88	4,607.19	2,162.43	518.91	1,925.85	620,766.03
279	5/1/2048	620,766.03	4,607.19	2,155.74	517.30	1,934.15	618,831.88
280	6/1/2048	618,831.88	4,607.19	2,149.02	515.70	1,942.47	616,889.41
281	7/1/2048	616,889.41	4,607.19	2,142.28	514.07	1,950.84	614,938.57
282	8/1/2048	614,938.57	4,607.19	2,135.50	512.45	1,959.24	612,979.33
283	9/1/2048	612,979.33	4,607.19	2,128.70	510.81	1,967.68	611,011.65
284	10/1/2048	611,011.65	4,607.19	2,121.87	509.17	1,976.15	609,035.50
285	11/1/2048	609,035.50	4,607.19	2,115.00	507.53	1,984.66	607,050.84
286	12/1/2048	607,050.84	4,607.19	2,108.11	505.88	1,993.20	605,057.64
287	1/1/2049	605,057.64	4,607.19	2,101.19	504.21	2,001.79	603,055.85
288	2/1/2049	603,055.85	4,607.19	2,094.24	502.54	2,010.41	601,045.44
289	3/1/2049	601,045.44	4,607.19	2,087.26	500.87	2,019.06	599,026.38
290	4/1/2049	599,026.38	4,607.19	2,080.24	499.19	2,027.76	596,998.62
291	5/1/2049	596,998.62	4,607.19	2,073.20	497.50	2,036.49	594,962.13
292	6/1/2049	594,962.13	4,607.19	2,066.13	495.80	2,045.26	592,916.87
293	7/1/2049	592,916.87	4,607.19	2,059.03	494.09	2,054.07	590,862.80
294	8/1/2049	590,862.80	4,607.19	2,051.89	492.39	2,062.91	588,799.89
295	9/1/2049	588,799.89	4,607.19	2,044.73	490.67	2,071.79	586,728.10
296	10/1/2049	586,728.10	4,607.19	2,037.54	488.94	2,080.71	584,647.39
297	11/1/2049	584,647.39	4,607.19	2,030.31	487.21	2,089.67	582,557.72
298	12/1/2049	582,557.72	4,607.19	2,023.05	485.47	2,098.67	580,459.05
299	1/1/2050	580,459.05	4,607.19	2,015.76	483.72	2,107.71	578,351.34
300	2/1/2050	578,351.34	4,607.19	2,008.45	481.95	2,116.79	576,234.55
301	3/1/2050	576,234.55	4,607.19	2,001.09	480.20	2,125.90	574,108.65
302	4/1/2050	574,108.65	4,607.19	1,993.71	478.43	2,135.05	571,973.60
303	5/1/2050	571,973.60	4,607.19	1,986.30	476.64	2,144.25	569,829.35
304	6/1/2050	569,829.35	4,607.19	1,978.85	474.86	2,153.48	567,675.87
305	7/1/2050	567,675.87	4,607.19	1,971.37	473.07	2,162.75	565,513.12
306	8/1/2050	565,513.12	4,607.19	1,963.86	471.26	2,172.07	563,341.05
307	9/1/2050	563,341.05	4,607.19	1,956.32	469.45	2,181.42	561,159.63
308	10/1/2050	561,159.63	4,607.19	1,948.74	467.64	2,190.81	558,968.82
309	11/1/2050	558,968.82	4,607.19	1,941.14	465.80	2,200.25	556,768.57
310	12/1/2050	556,768.57	4,607.19	1,933.49	463.98	2,209.72	554,558.85
311	1/1/2051	554,558.85	4,607.19	1,925.82	462.13	2,219.24	552,339.61
312	2/1/2051	552,339.61	4,607.19	1,918.11	460.29	2,228.79	550,110.82
313	3/1/2051	550,110.82	4,607.19	1,910.37	458.43	2,238.39	547,872.43
314	4/1/2051	547,872.43	4,607.19	1,902.60	456.56	2,248.03	545,624.40
315	5/1/2051	545,624.40	4,607.19	1,894.79	454.69	2,257.71	543,366.69
316	6/1/2051	543,366.69	4,607.19	1,886.95	452.81	2,267.43	541,099.26
317	7/1/2051	541,099.26	4,607.19	1,879.08	450.92	2,277.19	538,822.07
318	8/1/2051	538,822.07	4,607.19	1,871.17	449.02	2,287.00	536,535.07
319	9/1/2051	536,535.07	4,607.19	1,863.23	447.11	2,296.85	534,238.22
320	10/1/2051	534,238.22	4,607.19	1,855.25	445.20	2,306.74	531,931.48
321	11/1/2051	531,931.48	4,607.19	1,847.24	443.28	2,316.67	529,614.81
322	12/1/2051	529,614.81	4,607.19	1,839.20	441.34	2,326.65	527,288.16
323	1/1/2052	527,288.16	4,607.19	1,831.12	439.40	2,336.67	524,951.49
324	2/1/2052	524,951.49	4,607.19	1,823.00	437.46	2,346.73	522,604.76
325	3/1/2052	522,604.76	4,607.19	1,814.85	435.51	2,356.83	520,247.93
326	4/1/2052	520,247.93	4,607.19	1,806.67	433.54	2,366.98	517,880.95

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
327	5/1/2052	517,880.95	4,607.19	1,798.45	431.57	2,377.17	515,503.78
328	6/1/2052	515,503.78	4,607.19	1,790.19	429.59	2,387.41	513,116.37
329	7/1/2052	513,116.37	4,607.19	1,781.90	427.60	2,397.69	510,718.68
330	8/1/2052	510,718.68	4,607.19	1,773.58	425.60	2,408.01	508,310.67
331	9/1/2052	508,310.67	4,607.19	1,765.21	423.60	2,418.38	505,892.29
332	10/1/2052	505,892.29	4,607.19	1,756.82	421.57	2,428.80	503,463.49
333	11/1/2052	503,463.49	4,607.19	1,748.38	419.55	2,439.26	501,024.23
334	12/1/2052	501,024.23	4,607.19	1,739.91	417.52	2,449.76	498,574.47
335	1/1/2053	498,574.47	4,607.19	1,731.40	415.48	2,460.31	496,114.16
336	2/1/2053	496,114.16	4,607.19	1,722.86	413.43	2,470.90	493,643.26
337	3/1/2053	493,643.26	4,607.19	1,714.28	411.37	2,481.54	491,161.72
338	4/1/2053	491,161.72	4,607.19	1,705.66	409.30	2,492.23	488,669.49
339	5/1/2053	488,669.49	4,607.19	1,697.01	407.22	2,502.96	486,166.53
340	6/1/2053	486,166.53	4,607.19	1,688.31	405.14	2,513.74	483,652.79
341	7/1/2053	483,652.79	4,607.19	1,679.59	403.04	2,524.56	481,128.23
342	8/1/2053	481,128.23	4,607.19	1,670.82	400.94	2,535.43	478,592.80
343	9/1/2053	478,592.80	4,607.19	1,662.01	398.83	2,546.35	476,046.45
344	10/1/2053	476,046.45	4,607.19	1,653.17	396.71	2,557.31	473,489.14
345	11/1/2053	473,489.14	4,607.19	1,644.29	394.57	2,568.33	470,920.81
346	12/1/2053	470,920.81	4,607.19	1,635.37	392.43	2,579.39	468,341.42
347	1/1/2054	468,341.42	4,607.19	1,626.41	390.29	2,590.49	465,750.93
348	2/1/2054	465,750.93	4,607.19	1,617.42	388.12	2,601.65	463,149.28
349	3/1/2054	463,149.28	4,607.19	1,608.38	385.96	2,612.85	460,536.43
350	4/1/2054	460,536.43	4,607.19	1,599.31	383.78	2,624.10	457,912.33
351	5/1/2054	457,912.33	4,607.19	1,590.20	381.59	2,635.40	455,276.93
352	6/1/2054	455,276.93	4,607.19	1,581.04	379.40	2,646.75	452,630.18
353	7/1/2054	452,630.18	4,607.19	1,571.85	377.19	2,658.15	449,972.03
354	8/1/2054	449,972.03	4,607.19	1,562.62	374.98	2,669.59	447,302.44
355	9/1/2054	447,302.44	4,607.19	1,553.35	372.75	2,681.09	444,621.35
356	10/1/2054	444,621.35	4,607.19	1,544.04	370.52	2,692.63	441,928.72
357	11/1/2054	441,928.72	4,607.19	1,534.69	368.27	2,704.23	439,224.49
358	12/1/2054	439,224.49	4,607.19	1,525.30	366.02	2,715.87	436,508.62
359	1/1/2055	436,508.62	4,607.19	1,515.87	363.75	2,727.57	433,781.05
360	2/1/2055	433,781.05	4,607.19	1,506.40	361.48	2,739.31	431,041.74
361	3/1/2055	431,041.74	4,607.19	1,496.88	359.20	2,751.11	428,290.63
362	4/1/2055	428,290.63	4,607.19	1,487.33	356.91	2,762.95	425,527.68
363	5/1/2055	425,527.68	4,607.19	1,477.73	354.61	2,774.85	422,752.83
364	6/1/2055	422,752.83	4,607.19	1,468.10	352.29	2,786.80	419,966.03
365	7/1/2055	419,966.03	4,607.19	1,458.42	349.97	2,798.80	417,167.23
366	8/1/2055	417,167.23	4,607.19	1,448.70	347.64	2,810.85	414,356.38
367	9/1/2055	414,356.38	4,607.19	1,438.94	345.30	2,822.95	411,533.43
368	10/1/2055	411,533.43	4,607.19	1,429.14	342.94	2,835.11	408,698.32
369	11/1/2055	408,698.32	4,607.19	1,419.29	340.58	2,847.32	405,851.00
370	12/1/2055	405,851.00	4,607.19	1,409.40	338.21	2,859.58	402,991.42
371	1/1/2056	402,991.42	4,607.19	1,399.47	335.83	2,871.89	400,119.53
372	2/1/2056	400,119.53	4,607.19	1,389.50	333.43	2,884.26	397,235.27
373	3/1/2056	397,235.27	4,607.19	1,379.48	331.03	2,896.68	394,338.59
374	4/1/2056	394,338.59	4,607.19	1,369.42	328.62	2,909.15	391,429.44
375	5/1/2056	391,429.44	4,607.19	1,359.32	326.19	2,921.68	388,507.76
376	6/1/2056	388,507.76	4,607.19	1,349.17	323.76	2,934.26	385,573.50
377	7/1/2056	385,573.50	4,607.19	1,338.98	321.32	2,946.89	382,626.61
378	8/1/2056	382,626.61	4,607.19	1,328.75	318.86	2,959.58	379,667.03
379	9/1/2056	379,667.03	4,607.19	1,318.47	316.39	2,972.33	376,694.70
380	10/1/2056	376,694.70	4,607.19	1,308.15	313.91	2,985.13	373,709.57
381	11/1/2056	373,709.57	4,607.19	1,297.78	311.43	2,997.98	370,711.59
382	12/1/2056	370,711.59	4,607.19	1,287.37	308.93	3,010.89	367,700.70
383	1/1/2057	367,700.70	4,607.19	1,276.92	306.41	3,023.86	364,676.84
384	2/1/2057	364,676.84	4,607.19	1,266.42	303.89	3,036.88	361,639.96
385	3/1/2057	361,639.96	4,607.19	1,255.87	301.37	3,049.95	358,590.01
386	4/1/2057	358,590.01	4,607.19	1,245.28	298.82	3,063.09	355,526.92
387	5/1/2057	355,526.92	4,607.19	1,234.64	296.27	3,076.28	352,450.64
388	6/1/2057	352,450.64	4,607.19	1,223.96	293.71	3,089.52	349,361.12
389	7/1/2057	349,361.12	4,607.19	1,213.23	291.13	3,102.83	346,258.29
390	8/1/2057	346,258.29	4,607.19	1,202.45	288.55	3,116.19	343,142.10
391	9/1/2057	343,142.10	4,607.19	1,191.63	285.95	3,129.61	340,012.49
392	10/1/2057	340,012.49	4,607.19	1,180.76	283.35	3,143.08	336,869.41
393	11/1/2057	336,869.41	4,607.19	1,169.85	280.72	3,156.62	333,712.79

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
394	12/1/2057	333,712.79	4,607.19	1,158.89	278.09	3,170.21	330,542.58
395	1/1/2058	330,542.58	4,607.19	1,147.88	275.45	3,183.86	327,358.72
396	2/1/2058	327,358.72	4,607.19	1,136.82	272.80	3,197.57	324,161.15
397	3/1/2058	324,161.15	4,607.19	1,125.72	270.13	3,211.34	320,949.81
398	4/1/2058	320,949.81	4,607.19	1,114.57	267.45	3,225.17	317,724.64
399	5/1/2058	317,724.64	4,607.19	1,103.37	264.77	3,239.05	314,485.59
400	6/1/2058	314,485.59	4,607.19	1,092.12	262.07	3,253.00	311,232.59
401	7/1/2058	311,232.59	4,607.19	1,080.82	259.36	3,267.01	307,965.58
402	8/1/2058	307,965.58	4,607.19	1,069.47	256.64	3,281.08	304,684.50
403	9/1/2058	304,684.50	4,607.19	1,058.08	253.90	3,295.21	301,389.29
404	10/1/2058	301,389.29	4,607.19	1,046.64	251.15	3,309.40	298,079.89
405	11/1/2058	298,079.89	4,607.19	1,035.14	248.40	3,323.65	294,756.24
406	12/1/2058	294,756.24	4,607.19	1,023.60	245.63	3,337.96	291,418.28
407	1/1/2059	291,418.28	4,607.19	1,012.01	242.85	3,352.33	288,065.95
408	2/1/2059	288,065.95	4,607.19	1,000.37	240.05	3,366.77	284,699.18
409	3/1/2059	284,699.18	4,607.19	988.68	237.25	3,381.26	281,317.92
410	4/1/2059	281,317.92	4,607.19	976.94	234.43	3,395.82	277,922.10
411	5/1/2059	277,922.10	4,607.19	965.14	231.60	3,410.45	274,511.65
412	6/1/2059	274,511.65	4,607.19	953.30	228.76	3,425.13	271,086.52
413	7/1/2059	271,086.52	4,607.19	941.40	225.91	3,439.88	267,646.64
414	8/1/2059	267,646.64	4,607.19	929.46	223.04	3,454.69	264,191.95
415	9/1/2059	264,191.95	4,607.19	917.46	220.16	3,469.57	260,722.38
416	10/1/2059	260,722.38	4,607.19	905.41	217.27	3,484.51	257,237.87
417	11/1/2059	257,237.87	4,607.19	893.31	214.37	3,499.51	253,738.36
418	12/1/2059	253,738.36	4,607.19	881.16	211.45	3,514.58	250,223.78
419	1/1/2060	250,223.78	4,607.19	868.95	208.52	3,529.72	246,694.06
420	2/1/2060	246,694.06	4,607.19	856.70	205.57	3,544.92	243,149.14
421	3/1/2060	243,149.14	4,607.19	844.39	202.62	3,560.18	239,588.96
422	4/1/2060	239,588.96	4,607.19	832.02	199.66	3,575.51	236,013.45
423	5/1/2060	236,013.45	4,607.19	819.61	196.67	3,590.91	232,422.54
424	6/1/2060	232,422.54	4,607.19	807.14	193.68	3,606.37	228,816.17
425	7/1/2060	228,816.17	4,607.19	794.61	190.68	3,621.90	225,194.27
426	8/1/2060	225,194.27	4,607.19	782.03	187.67	3,637.49	221,556.78
427	9/1/2060	221,556.78	4,607.19	769.40	184.63	3,653.16	217,903.62
428	10/1/2060	217,903.62	4,607.19	756.72	181.58	3,668.89	214,234.73
429	11/1/2060	214,234.73	4,607.19	743.97	178.53	3,684.69	210,550.04
430	12/1/2060	210,550.04	4,607.19	731.18	175.46	3,700.55	206,849.49
431	1/1/2061	206,849.49	4,607.19	718.33	172.37	3,716.49	203,133.00
432	2/1/2061	203,133.00	4,607.19	705.42	169.28	3,732.49	199,400.51
433	3/1/2061	199,400.51	4,607.19	692.46	166.17	3,748.56	195,651.95
434	4/1/2061	195,651.95	4,607.19	679.44	163.05	3,764.70	191,887.25
435	5/1/2061	191,887.25	4,607.19	666.37	159.90	3,780.92	188,106.33
436	6/1/2061	188,106.33	4,607.19	653.24	156.75	3,797.20	184,309.13
437	7/1/2061	184,309.13	4,607.19	640.05	153.59	3,813.55	180,495.58
438	8/1/2061	180,495.58	4,607.19	626.81	150.41	3,829.97	176,665.61
439	9/1/2061	176,665.61	4,607.19	613.51	147.22	3,846.46	172,819.15
440	10/1/2061	172,819.15	4,607.19	600.15	144.02	3,863.02	168,956.13
441	11/1/2061	168,956.13	4,607.19	586.74	140.79	3,879.66	165,076.47
442	12/1/2061	165,076.47	4,607.19	573.26	137.57	3,896.36	161,180.11
443	1/1/2062	161,180.11	4,607.19	559.73	134.32	3,913.14	157,266.97
444	2/1/2062	157,266.97	4,607.19	546.14	131.06	3,929.99	153,336.98
445	3/1/2062	153,336.98	4,607.19	532.49	127.79	3,946.91	149,390.07
446	4/1/2062	149,390.07	4,607.19	518.79	124.49	3,963.91	145,426.16
447	5/1/2062	145,426.16	4,607.19	505.02	121.19	3,980.98	141,445.18
448	6/1/2062	141,445.18	4,607.19	491.20	117.87	3,998.12	137,447.06
449	7/1/2062	137,447.06	4,607.19	477.31	114.54	4,015.34	133,431.72
450	8/1/2062	133,431.72	4,607.19	463.37	111.19	4,032.63	129,399.09
451	9/1/2062	129,399.09	4,607.19	449.37	107.83	4,049.99	125,349.10
452	10/1/2062	125,349.10	4,607.19	435.30	104.46	4,067.43	121,281.67
453	11/1/2062	121,281.67	4,607.19	421.18	101.06	4,084.95	117,196.72
454	12/1/2062	117,196.72	4,607.19	406.99	97.66	4,102.54	113,094.18
455	1/1/2063	113,094.18	4,607.19	392.74	94.25	4,120.20	108,973.98
456	2/1/2063	108,973.98	4,607.19	378.43	90.82	4,137.94	104,836.04
457	3/1/2063	104,836.04	4,607.19	364.06	87.37	4,155.76	100,680.28
458	4/1/2063	100,680.28	4,607.19	349.63	83.90	4,173.66	96,506.62
459	5/1/2063	96,506.62	4,607.19	335.14	80.42	4,191.63	92,314.99
460	6/1/2063	92,314.99	4,607.19	320.58	76.93	4,209.68	88,105.31

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
461	7/1/2063	88,105.31	4,607.19	305.96	73.43	4,227.80	83,877.51
462	8/1/2063	83,877.51	4,607.19	291.28	69.90	4,246.01	79,631.50
463	9/1/2063	79,631.50	4,607.19	276.54	66.36	4,264.29	75,367.21
464	10/1/2063	75,367.21	4,607.19	261.73	62.80	4,282.66	71,084.55
465	11/1/2063	71,084.55	4,607.19	246.86	59.23	4,301.10	66,783.45
466	12/1/2063	66,783.45	4,607.19	231.92	55.65	4,319.62	62,463.83
467	1/1/2064	62,463.83	4,607.19	216.92	52.05	4,338.22	58,125.61
468	2/1/2064	58,125.61	4,607.19	201.85	48.44	4,356.90	53,768.71
469	3/1/2064	53,768.71	4,607.19	186.72	44.81	4,375.66	49,393.05
470	4/1/2064	49,393.05	4,607.19	171.53	41.16	4,394.50	44,998.55
471	5/1/2064	44,998.55	4,607.19	156.27	37.50	4,413.42	40,585.13
472	6/1/2064	40,585.13	4,607.19	140.94	33.82	4,432.43	36,152.70
473	7/1/2064	36,152.70	4,607.19	125.55	30.13	4,451.51	31,701.19
474	8/1/2064	31,701.19	4,607.19	110.09	26.42	4,470.68	27,230.51
475	9/1/2064	27,230.51	4,607.19	94.56	22.70	4,489.93	22,740.58
476	10/1/2064	22,740.58	4,607.19	78.97	18.95	4,509.27	18,231.31
477	11/1/2064	18,231.31	4,607.19	63.31	15.19	4,528.69	13,702.62
478	12/1/2064	13,702.62	4,607.19	47.59	11.41	4,548.19	9,154.43
479	1/1/2065	9,154.43	4,607.19	31.79	7.63	4,567.77	4,586.66
480	2/1/2065	4,586.66	4,606.41	15.93	3.82	4,586.66	-

SECURED PROMISSORY NOTE

PASS Series A – Deferred Loan
(Normandy Apartments)

Principal Amount: \$103,243.00

San Francisco, CA

Date: [Date]

FOR VALUE RECEIVED, the undersigned, **1155 Ellis GP LLC**, a California limited liability company ("**Maker**"), hereby promises to pay to the order of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, or holder (as the case may be, "**Holder**"), the principal sum of One Hundred Thousand Two Hundred Forty-Three and No/100 Dollars (\$103,243.00) (the "**Series A Deferred Loan Amount**"), or so much of the Series A Deferred Loan Amount as may be disbursed from time to time pursuant to the Agreement described in Section 1 below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("**Note**") is given under the terms of a Loan Agreement by and between Maker and Holder dated as of the date of this Note, as it may be amended from time to time (the "**Agreement**"), which Agreement is incorporated herein by reference. Maker's obligations under this Note and the Agreement are secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (PASS Program) dated as of the date of this Note, made by Maker for the benefit of Holder (the "**PASS Deed of Trust**"). Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of 1.38908% per annum, from the date of the close of escrow through the date of full payment of all amounts owing under the City Documents. Interest will be compounded monthly and computed on the basis of a 360-day year consisting of 12 months of 30 days each, which will result in higher interest charges than if a 365-day year were used.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, interest will be deemed to have accrued on the outstanding principal balance of the Series A Deferred Loan at a compounded annual rate equal to the ten percent (10%), commencing on the date of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the City Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient, and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any City Document.

4. Repayment of Series A Deferred Loan. Provided that no uncured Event of Default exists under any City Document, the entire principal balance of the Series A Deferred Loan, together with all interest and unpaid fees and costs incurred (all together, the "**Payment**"), will be due and payable on the date that is the fortieth (40th) anniversary of the First Month Date as

defined in Section 6.5 (the “**Maturity Date**”). If the Maturity Date falls on a weekend or holiday, it will be deemed to fall on the next succeeding business day. Any Payments will be applied to the following in the following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid interest; and (c) reduction of the principal balance of the Series A Deferred Loan.

5. Security. Maker's obligations under this Note are secured by the PASS Deed of Trust.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Holder will have the right in its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 No prepayment of this Note shall be permitted except as otherwise set forth in this Note or in the Agreement. This Note may be prepaid on or after the tenth anniversary of the first day of the first full month following the date that the PASS Deed of Trust is recorded in the Recorder's Office of San Francisco County (the “**First Payment Date**”) as described in this Section. On or after the tenth anniversary of the First Payment Date, the Series A Deferred Loan may be prepaid, in whole but not in part, and Maker shall be required to pay a premium of: (i) 2% of the total amount being prepaid if the Series A Deferred Loan is prepaid prior to the eleventh anniversary of the First Payment Date; (ii) 1% of the total amount being prepaid if the Series A Deferred Loan is prepaid on or after the eleventh anniversary of the First Payment Date and prior to the twelfth anniversary of the First Payment Date; or (iii) no prepayment premium or penalty if the Series A Deferred Loan is prepaid on or after the twelfth anniversary of the First Payment Date. The Series A Deferred Loan may not be prepaid unless the Series C Deferred Loan, the Market Rate Loan and the BMR Loan, and, in Holder's sole discretion, the SSP Loan, are also all paid in full. Maker shall provide Holder with at least thirty (30) days' prior written notice of any intended prepayments. Maker shall be required to pay any premiums, and proportionate costs and expenses associated with the redemption of the Bonds which would result from prepayment of the Series A Deferred Loan including, but not limited to, accrued interest on the Bonds from the date of such prepayment to the date of redemption of the Bonds.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Project, including without limitation, the Series C Deferred Note, Market Rate Notes, the BMR Notes, and the SSP Note.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the City Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the Series A Deferred Loan (along with the Series C Deferred Loan, Market Rate Loan, the BMR Loan, and the SSP Loan), together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

7.3 Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the PASS Deed of Trust, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the Series A Deferred Loan, provided, however, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the City Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover sums arising under any obligation of Maker to indemnify Holder of sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including Series A Deferred Loan funds and Rents), waste or negligent or intentional damage to the collateral for the Series A Deferred Loan.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

"MAKER"

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

SECURED PROMISSORY NOTE

PASS Series A – BMR Loan
(Normandy Apartments)

Principal Amount: \$546,981.00

San Francisco, CA

Date: [Date]

FOR VALUE RECEIVED, the undersigned, **1155 Ellis GP LLC**, a California limited liability company ("**Maker**"), hereby promises to pay to the order of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, or holder (as the case may be, "**Holder**"), the principal sum of Five Hundred Forty-Six Thousand Nine Hundred Eighty-One and No/100 Dollars (\$546,981.00) (the "**Series A BMR Loan Amount**"), or so much of the Series A BMR Loan as may be disbursed from time to time pursuant to the Agreement described in Section 1 below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("**Note**") is given under the terms of a Loan Agreement by and between Maker and Holder dated as of the date of this Note, as it may be amended from time to time (the "**Agreement**"), which Agreement is incorporated herein by reference. Maker's obligations under this Note and the Agreement are secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (PASS Program) dated as of the date of this Note, made by Maker for the benefit of Holder (the "**PASS Deed of Trust**"). Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of 1.38908% per annum from the date of the close of escrow through the date of full payment of all amounts owing under the City Documents. Interest will be compounded monthly and computed on the basis of a 360-day year consisting of 12 months of 30 days each, which will result in higher interest charges than if a 365-day year were used.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, interest will be deemed to have accrued on the outstanding principal balance of the Series A BMR Loan at a compounded annual rate equal to the ten percent (10%), commencing on the date of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the City Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient, and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any City Document.

4. Repayment of Series A BMR Loan. Maker must make payments of principal and interest in monthly installments (each, a "**Payment**") equal to the amount specified by the amortization schedule attached as Exhibit A. All Payments will be applied to the following in the

following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid interest; and (c) reduction of the principal balance of the Series A BMR Loan. The unpaid principal balance of the Series A BMR Loan, together with accrued and unpaid interest and unpaid fees and costs incurred, will be due and payable on the date that is the fortieth (40th) anniversary of the First Payment Date as defined in Section 6.5 (the "**Maturity Date**"). Any Payment Date, including the Maturity Date, that falls on a weekend or holiday will be deemed to fall on the next succeeding business day.

5. Security. Maker's obligations under this Note are secured by the PASS Deed of Trust.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Holder will have the right in its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 No prepayment of this Note shall be permitted except as otherwise set forth in this Note or in the Agreement. This Note may be prepaid on or after the tenth anniversary of the first day of the first full month following the date that the PASS Deed of Trust is recorded in the Recorder's Office of San Francisco County (the "**First Payment Date**") as described in this Section. On or after the tenth anniversary of the First Payment Date, the Series A BMR Loan may be prepaid, in whole but not in part, and the Maker shall be required to pay a premium of: (i) 2% of the total amount being prepaid if the Series A BMR Loan is prepaid prior to the eleventh anniversary of the First Payment Date; (ii) 1% of the total amount being prepaid if the Series A BMR Loan is prepaid on or after the eleventh anniversary of the First Payment Date and prior to the twelfth anniversary of the First Payment Date; or (iii) no prepayment premium or penalty if the Series A BMR Loan is prepaid on or after the twelfth anniversary of the First Payment Date. The Series A BMR Loan may not be prepaid unless the Series C BMR Loan, the Deferred Loan and the Market Rate Loan, and in Holder's sole discretion, the SSP Loan, are also all paid in full. Maker shall provide Holder with at least thirty (30) days' prior written notice of any intended prepayments. Maker shall be required to pay any premiums, and proportionate costs and expenses associated with the redemption of the Bonds which would result from a prepayment of the Series A BMR Loan including, but not limited to, accrued interest on the Bonds from the date of such prepayment to the date of redemption of the Bonds.

6.6 To compensate Holder for continued monitoring of compliance with the Declaration of Restrictions and/or the Agreement after a prepayment in full of the Series A BMR Loan, Maker shall pay to the Holder \$2,500 per year for each remaining year of the Compliance Term. In connection with a prepayment of the Series A BMR Loan, in its sole discretion Holder may require Maker to prepay such annual monitoring fees through the end of the Compliance Term. In such event, the prepayment amount will be calculated as the present value of the stream of annual monitoring fee payments through the end of the Compliance Term discounted at a rate not to exceed 2%.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Project, including without limitation, the Series C BMR Note, the Market Rate Notes, the Deferred Notes, and the SSP Note.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the City Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the Series A BMR Loan (along with the Series C BMR Loan, the Market Rate Loan, the Deferred Loan, and the SSP Loan), together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

7.3 Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the PASS Deed of Trust, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the BMR Loan, provided, however, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the City Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover sums arising under any obligation of Maker to indemnify Holder of sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including Series A BMR Loan funds and Rents), waste or negligent or intentional damage to the collateral for the Series A BMR Loan.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

"MAKER"

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

EXHIBIT A

Amortization Schedule Attached.

EXHIBIT A

Project Name: Normandy Apartments
Sponsor: Tenderloin Neighborhood Development Corporation

Loan Amount	546,981.00
Rate	1.38908%
Term	40
Amortization	40
Monthly Payment	1,485.94

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
1	3/1/2025	546,981.00	1,485.94	633.17	852.77	546,128.23
2	4/1/2025	546,128.23	1,485.94	632.18	853.76	545,274.47
3	5/1/2025	545,274.47	1,485.94	631.19	854.75	544,419.72
4	6/1/2025	544,419.72	1,485.94	630.20	855.74	543,563.98
5	7/1/2025	543,563.98	1,485.94	629.21	856.73	542,707.25
6	8/1/2025	542,707.25	1,485.94	628.22	857.72	541,849.53
7	9/1/2025	541,849.53	1,485.94	627.23	858.71	540,990.82
8	10/1/2025	540,990.82	1,485.94	626.23	859.71	540,131.11
9	11/1/2025	540,131.11	1,485.94	625.24	860.70	539,270.41
10	12/1/2025	539,270.41	1,485.94	624.24	861.70	538,408.71
11	1/1/2026	538,408.71	1,485.94	623.24	862.70	537,546.01
12	2/1/2026	537,546.01	1,485.94	622.25	863.69	536,682.32
13	3/1/2026	536,682.32	1,485.94	621.25	864.69	535,817.63
14	4/1/2026	535,817.63	1,485.94	620.24	865.70	534,951.93
15	5/1/2026	534,951.93	1,485.94	619.24	866.70	534,085.23
16	6/1/2026	534,085.23	1,485.94	618.24	867.70	533,217.53
17	7/1/2026	533,217.53	1,485.94	617.23	868.71	532,348.82
18	8/1/2026	532,348.82	1,485.94	616.23	869.71	531,479.11
19	9/1/2026	531,479.11	1,485.94	615.22	870.72	530,608.39
20	10/1/2026	530,608.39	1,485.94	614.21	871.73	529,736.66
21	11/1/2026	529,736.66	1,485.94	613.21	872.73	528,863.93
22	12/1/2026	528,863.93	1,485.94	612.20	873.74	527,990.19
23	1/1/2027	527,990.19	1,485.94	611.18	874.76	527,115.43
24	2/1/2027	527,115.43	1,485.94	610.17	875.77	526,239.66
25	3/1/2027	526,239.66	1,485.94	609.16	876.78	525,362.88
26	4/1/2027	525,362.88	1,485.94	608.14	877.80	524,485.08
27	5/1/2027	524,485.08	1,485.94	607.13	878.81	523,606.27
28	6/1/2027	523,606.27	1,485.94	606.11	879.83	522,726.44
29	7/1/2027	522,726.44	1,485.94	605.09	880.85	521,845.59
30	8/1/2027	521,845.59	1,485.94	604.07	881.87	520,963.72
31	9/1/2027	520,963.72	1,485.94	603.05	882.89	520,080.83
32	10/1/2027	520,080.83	1,485.94	602.03	883.91	519,196.92
33	11/1/2027	519,196.92	1,485.94	601.01	884.93	518,311.99
34	12/1/2027	518,311.99	1,485.94	599.98	885.96	517,426.03
35	1/1/2028	517,426.03	1,485.94	598.96	886.98	516,539.05
36	2/1/2028	516,539.05	1,485.94	597.93	888.01	515,651.04
37	3/1/2028	515,651.04	1,485.94	596.90	889.04	514,762.00
38	4/1/2028	514,762.00	1,485.94	595.87	890.07	513,871.93
39	5/1/2028	513,871.93	1,485.94	594.84	891.10	512,980.83
40	6/1/2028	512,980.83	1,485.94	593.81	892.13	512,088.70
41	7/1/2028	512,088.70	1,485.94	592.78	893.16	511,195.54
42	8/1/2028	511,195.54	1,485.94	591.74	894.20	510,301.34
43	9/1/2028	510,301.34	1,485.94	590.71	895.23	509,406.11
44	10/1/2028	509,406.11	1,485.94	589.67	896.27	508,509.84
45	11/1/2028	508,509.84	1,485.94	588.63	897.31	507,612.53
46	12/1/2028	507,612.53	1,485.94	587.60	898.34	506,714.19
47	1/1/2029	506,714.19	1,485.94	586.56	899.38	505,814.81
48	2/1/2029	505,814.81	1,485.94	585.51	900.43	504,914.38
49	3/1/2029	504,914.38	1,485.94	584.47	901.47	504,012.91
50	4/1/2029	504,012.91	1,485.94	583.43	902.51	503,110.40
51	5/1/2029	503,110.40	1,485.94	582.38	903.56	502,206.84
52	6/1/2029	502,206.84	1,485.94	581.34	904.60	501,302.24
53	7/1/2029	501,302.24	1,485.94	580.29	905.65	500,396.59
54	8/1/2029	500,396.59	1,485.94	579.24	906.70	499,489.89
55	9/1/2029	499,489.89	1,485.94	578.19	907.75	498,582.14
56	10/1/2029	498,582.14	1,485.94	577.14	908.80	497,673.34

EXHIBIT A

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
57	11/1/2029	497,673.34	1,485.94	576.09	909.85	496,763.49
58	12/1/2029	496,763.49	1,485.94	575.04	910.90	495,852.59
59	1/1/2030	495,852.59	1,485.94	573.98	911.96	494,940.63
60	2/1/2030	494,940.63	1,485.94	572.93	913.01	494,027.62
61	3/1/2030	494,027.62	1,485.94	571.87	914.07	493,113.55
62	4/1/2030	493,113.55	1,485.94	570.81	915.13	492,198.42
63	5/1/2030	492,198.42	1,485.94	569.75	916.19	491,282.23
64	6/1/2030	491,282.23	1,485.94	568.69	917.25	490,364.98
65	7/1/2030	490,364.98	1,485.94	567.63	918.31	489,446.67
66	8/1/2030	489,446.67	1,485.94	566.57	919.37	488,527.30
67	9/1/2030	488,527.30	1,485.94	565.50	920.44	487,606.86
68	10/1/2030	487,606.86	1,485.94	564.44	921.50	486,685.36
69	11/1/2030	486,685.36	1,485.94	563.37	922.57	485,762.79
70	12/1/2030	485,762.79	1,485.94	562.30	923.64	484,839.15
71	1/1/2031	484,839.15	1,485.94	561.23	924.71	483,914.44
72	2/1/2031	483,914.44	1,485.94	560.16	925.78	482,988.66
73	3/1/2031	482,988.66	1,485.94	559.09	926.85	482,061.81
74	4/1/2031	482,061.81	1,485.94	558.02	927.92	481,133.89
75	5/1/2031	481,133.89	1,485.94	556.94	929.00	480,204.89
76	6/1/2031	480,204.89	1,485.94	555.87	930.07	479,274.82
77	7/1/2031	479,274.82	1,485.94	554.79	931.15	478,343.67
78	8/1/2031	478,343.67	1,485.94	553.71	932.23	477,411.44
79	9/1/2031	477,411.44	1,485.94	552.64	933.30	476,478.14
80	10/1/2031	476,478.14	1,485.94	551.56	934.38	475,543.76
81	11/1/2031	475,543.76	1,485.94	550.47	935.47	474,608.29
82	12/1/2031	474,608.29	1,485.94	549.39	936.55	473,671.74
83	1/1/2032	473,671.74	1,485.94	548.31	937.63	472,734.11
84	2/1/2032	472,734.11	1,485.94	547.22	938.72	471,795.39
85	3/1/2032	471,795.39	1,485.94	546.13	939.81	470,855.58
86	4/1/2032	470,855.58	1,485.94	545.05	940.89	469,914.69
87	5/1/2032	469,914.69	1,485.94	543.96	941.98	468,972.71
88	6/1/2032	468,972.71	1,485.94	542.87	943.07	468,029.64
89	7/1/2032	468,029.64	1,485.94	541.78	944.16	467,085.48
90	8/1/2032	467,085.48	1,485.94	540.68	945.26	466,140.22
91	9/1/2032	466,140.22	1,485.94	539.59	946.35	465,193.87
92	10/1/2032	465,193.87	1,485.94	538.49	947.45	464,246.42
93	11/1/2032	464,246.42	1,485.94	537.40	948.54	463,297.88
94	12/1/2032	463,297.88	1,485.94	536.30	949.64	462,348.24
95	1/1/2033	462,348.24	1,485.94	535.20	950.74	461,397.50
96	2/1/2033	461,397.50	1,485.94	534.10	951.84	460,445.66
97	3/1/2033	460,445.66	1,485.94	533.00	952.94	459,492.72
98	4/1/2033	459,492.72	1,485.94	531.89	954.05	458,538.67
99	5/1/2033	458,538.67	1,485.94	530.79	955.15	457,583.52
100	6/1/2033	457,583.52	1,485.94	529.68	956.26	456,627.26
101	7/1/2033	456,627.26	1,485.94	528.58	957.36	455,669.90
102	8/1/2033	455,669.90	1,485.94	527.47	958.47	454,711.43
103	9/1/2033	454,711.43	1,485.94	526.36	959.58	453,751.85
104	10/1/2033	453,751.85	1,485.94	525.25	960.69	452,791.16
105	11/1/2033	452,791.16	1,485.94	524.14	961.80	451,829.36
106	12/1/2033	451,829.36	1,485.94	523.02	962.92	450,866.44
107	1/1/2034	450,866.44	1,485.94	521.91	964.03	449,902.41
108	2/1/2034	449,902.41	1,485.94	520.79	965.15	448,937.26
109	3/1/2034	448,937.26	1,485.94	519.67	966.27	447,970.99
110	4/1/2034	447,970.99	1,485.94	518.56	967.38	447,003.61
111	5/1/2034	447,003.61	1,485.94	517.44	968.50	446,035.11
112	6/1/2034	446,035.11	1,485.94	516.32	969.62	445,065.49
113	7/1/2034	445,065.49	1,485.94	515.19	970.75	444,094.74
114	8/1/2034	444,094.74	1,485.94	514.07	971.87	443,122.87
115	9/1/2034	443,122.87	1,485.94	512.94	973.00	442,149.87
116	10/1/2034	442,149.87	1,485.94	511.82	974.12	441,175.75
117	11/1/2034	441,175.75	1,485.94	510.69	975.25	440,200.50
118	12/1/2034	440,200.50	1,485.94	509.56	976.38	439,224.12
119	1/1/2035	439,224.12	1,485.94	508.43	977.51	438,246.61
120	2/1/2035	438,246.61	1,485.94	507.30	978.64	437,267.97
121	3/1/2035	437,267.97	1,485.94	506.17	979.77	436,288.20

EXHIBIT A

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
122	4/1/2035	436,288.20	1,485.94	505.03	980.91	435,307.29
123	5/1/2035	435,307.29	1,485.94	503.90	982.04	434,325.25
124	6/1/2035	434,325.25	1,485.94	502.76	983.18	433,342.07
125	7/1/2035	433,342.07	1,485.94	501.62	984.32	432,357.75
126	8/1/2035	432,357.75	1,485.94	500.48	985.46	431,372.29
127	9/1/2035	431,372.29	1,485.94	499.34	986.60	430,385.69
128	10/1/2035	430,385.69	1,485.94	498.20	987.74	429,397.95
129	11/1/2035	429,397.95	1,485.94	497.06	988.88	428,409.07
130	12/1/2035	428,409.07	1,485.94	495.91	990.03	427,419.04
131	1/1/2036	427,419.04	1,485.94	494.77	991.17	426,427.87
132	2/1/2036	426,427.87	1,485.94	493.62	992.32	425,435.55
133	3/1/2036	425,435.55	1,485.94	492.47	993.47	424,442.08
134	4/1/2036	424,442.08	1,485.94	491.32	994.62	423,447.46
135	5/1/2036	423,447.46	1,485.94	490.17	995.77	422,451.69
136	6/1/2036	422,451.69	1,485.94	489.02	996.92	421,454.77
137	7/1/2036	421,454.77	1,485.94	487.86	998.08	420,456.69
138	8/1/2036	420,456.69	1,485.94	486.71	999.23	419,457.46
139	9/1/2036	419,457.46	1,485.94	485.55	1,000.39	418,457.07
140	10/1/2036	418,457.07	1,485.94	484.39	1,001.55	417,455.52
141	11/1/2036	417,455.52	1,485.94	483.23	1,002.71	416,452.81
142	12/1/2036	416,452.81	1,485.94	482.07	1,003.87	415,448.94
143	1/1/2037	415,448.94	1,485.94	480.91	1,005.03	414,443.91
144	2/1/2037	414,443.91	1,485.94	479.75	1,006.19	413,437.72
145	3/1/2037	413,437.72	1,485.94	478.58	1,007.36	412,430.36
146	4/1/2037	412,430.36	1,485.94	477.42	1,008.52	411,421.84
147	5/1/2037	411,421.84	1,485.94	476.25	1,009.69	410,412.15
148	6/1/2037	410,412.15	1,485.94	475.08	1,010.86	409,401.29
149	7/1/2037	409,401.29	1,485.94	473.91	1,012.03	408,389.26
150	8/1/2037	408,389.26	1,485.94	472.74	1,013.20	407,376.06
151	9/1/2037	407,376.06	1,485.94	471.56	1,014.38	406,361.68
152	10/1/2037	406,361.68	1,485.94	470.39	1,015.55	405,346.13
153	11/1/2037	405,346.13	1,485.94	469.22	1,016.72	404,329.41
154	12/1/2037	404,329.41	1,485.94	468.04	1,017.90	403,311.51
155	1/1/2038	403,311.51	1,485.94	466.86	1,019.08	402,292.43
156	2/1/2038	402,292.43	1,485.94	465.68	1,020.26	401,272.17
157	3/1/2038	401,272.17	1,485.94	464.50	1,021.44	400,250.73
158	4/1/2038	400,250.73	1,485.94	463.32	1,022.62	399,228.11
159	5/1/2038	399,228.11	1,485.94	462.13	1,023.81	398,204.30
160	6/1/2038	398,204.30	1,485.94	460.95	1,024.99	397,179.31
161	7/1/2038	397,179.31	1,485.94	459.76	1,026.18	396,153.13
162	8/1/2038	396,153.13	1,485.94	458.57	1,027.37	395,125.76
163	9/1/2038	395,125.76	1,485.94	457.38	1,028.56	394,097.20
164	10/1/2038	394,097.20	1,485.94	456.19	1,029.75	393,067.45
165	11/1/2038	393,067.45	1,485.94	455.00	1,030.94	392,036.51
166	12/1/2038	392,036.51	1,485.94	453.81	1,032.13	391,004.38
167	1/1/2039	391,004.38	1,485.94	452.61	1,033.33	389,971.05
168	2/1/2039	389,971.05	1,485.94	451.42	1,034.52	388,936.53
169	3/1/2039	388,936.53	1,485.94	450.22	1,035.72	387,900.81
170	4/1/2039	387,900.81	1,485.94	449.02	1,036.92	386,863.89
171	5/1/2039	386,863.89	1,485.94	447.82	1,038.12	385,825.77
172	6/1/2039	385,825.77	1,485.94	446.62	1,039.32	384,786.45
173	7/1/2039	384,786.45	1,485.94	445.42	1,040.52	383,745.93
174	8/1/2039	383,745.93	1,485.94	444.21	1,041.73	382,704.20
175	9/1/2039	382,704.20	1,485.94	443.01	1,042.93	381,661.27
176	10/1/2039	381,661.27	1,485.94	441.80	1,044.14	380,617.13
177	11/1/2039	380,617.13	1,485.94	440.59	1,045.35	379,571.78
178	12/1/2039	379,571.78	1,485.94	439.38	1,046.56	378,525.22
179	1/1/2040	378,525.22	1,485.94	438.17	1,047.77	377,477.45
180	2/1/2040	377,477.45	1,485.94	436.96	1,048.98	376,428.47
181	3/1/2040	376,428.47	1,485.94	435.74	1,050.20	375,378.27
182	4/1/2040	375,378.27	1,485.94	434.53	1,051.41	374,326.86
183	5/1/2040	374,326.86	1,485.94	433.31	1,052.63	373,274.23
184	6/1/2040	373,274.23	1,485.94	432.09	1,053.85	372,220.38
185	7/1/2040	372,220.38	1,485.94	430.87	1,055.07	371,165.31
186	8/1/2040	371,165.31	1,485.94	429.65	1,056.29	370,109.02

EXHIBIT A

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
187	9/1/2040	370,109.02	1,485.94	428.43	1,057.51	369,051.51
188	10/1/2040	369,051.51	1,485.94	427.20	1,058.74	367,992.77
189	11/1/2040	367,992.77	1,485.94	425.98	1,059.96	366,932.81
190	12/1/2040	366,932.81	1,485.94	424.75	1,061.19	365,871.62
191	1/1/2041	365,871.62	1,485.94	423.52	1,062.42	364,809.20
192	2/1/2041	364,809.20	1,485.94	422.29	1,063.65	363,745.55
193	3/1/2041	363,745.55	1,485.94	421.06	1,064.88	362,680.67
194	4/1/2041	362,680.67	1,485.94	419.83	1,066.11	361,614.56
195	5/1/2041	361,614.56	1,485.94	418.59	1,067.35	360,547.21
196	6/1/2041	360,547.21	1,485.94	417.36	1,068.58	359,478.63
197	7/1/2041	359,478.63	1,485.94	416.12	1,069.82	358,408.81
198	8/1/2041	358,408.81	1,485.94	414.88	1,071.06	357,337.75
199	9/1/2041	357,337.75	1,485.94	413.64	1,072.30	356,265.45
200	10/1/2041	356,265.45	1,485.94	412.40	1,073.54	355,191.91
201	11/1/2041	355,191.91	1,485.94	411.16	1,074.78	354,117.13
202	12/1/2041	354,117.13	1,485.94	409.91	1,076.03	353,041.10
203	1/1/2042	353,041.10	1,485.94	408.67	1,077.27	351,963.83
204	2/1/2042	351,963.83	1,485.94	407.42	1,078.52	350,885.31
205	3/1/2042	350,885.31	1,485.94	406.17	1,079.77	349,805.54
206	4/1/2042	349,805.54	1,485.94	404.92	1,081.02	348,724.52
207	5/1/2042	348,724.52	1,485.94	403.67	1,082.27	347,642.25
208	6/1/2042	347,642.25	1,485.94	402.42	1,083.52	346,558.73
209	7/1/2042	346,558.73	1,485.94	401.16	1,084.78	345,473.95
210	8/1/2042	345,473.95	1,485.94	399.91	1,086.03	344,387.92
211	9/1/2042	344,387.92	1,485.94	398.65	1,087.29	343,300.63
212	10/1/2042	343,300.63	1,485.94	397.39	1,088.55	342,212.08
213	11/1/2042	342,212.08	1,485.94	396.13	1,089.81	341,122.27
214	12/1/2042	341,122.27	1,485.94	394.87	1,091.07	340,031.20
215	1/1/2043	340,031.20	1,485.94	393.61	1,092.33	338,938.87
216	2/1/2043	338,938.87	1,485.94	392.34	1,093.60	337,845.27
217	3/1/2043	337,845.27	1,485.94	391.08	1,094.86	336,750.41
218	4/1/2043	336,750.41	1,485.94	389.81	1,096.13	335,654.28
219	5/1/2043	335,654.28	1,485.94	388.54	1,097.40	334,556.88
220	6/1/2043	334,556.88	1,485.94	387.27	1,098.67	333,458.21
221	7/1/2043	333,458.21	1,485.94	386.00	1,099.94	332,358.27
222	8/1/2043	332,358.27	1,485.94	384.73	1,101.21	331,257.06
223	9/1/2043	331,257.06	1,485.94	383.45	1,102.49	330,154.57
224	10/1/2043	330,154.57	1,485.94	382.18	1,103.76	329,050.81
225	11/1/2043	329,050.81	1,485.94	380.90	1,105.04	327,945.77
226	12/1/2043	327,945.77	1,485.94	379.62	1,106.32	326,839.45
227	1/1/2044	326,839.45	1,485.94	378.34	1,107.60	325,731.85
228	2/1/2044	325,731.85	1,485.94	377.06	1,108.88	324,622.97
229	3/1/2044	324,622.97	1,485.94	375.77	1,110.17	323,512.80
230	4/1/2044	323,512.80	1,485.94	374.49	1,111.45	322,401.35
231	5/1/2044	322,401.35	1,485.94	373.20	1,112.74	321,288.61
232	6/1/2044	321,288.61	1,485.94	371.91	1,114.03	320,174.58
233	7/1/2044	320,174.58	1,485.94	370.62	1,115.32	319,059.26
234	8/1/2044	319,059.26	1,485.94	369.33	1,116.61	317,942.65
235	9/1/2044	317,942.65	1,485.94	368.04	1,117.90	316,824.75
236	10/1/2044	316,824.75	1,485.94	366.75	1,119.19	315,705.56
237	11/1/2044	315,705.56	1,485.94	365.45	1,120.49	314,585.07
238	12/1/2044	314,585.07	1,485.94	364.15	1,121.79	313,463.28
239	1/1/2045	313,463.28	1,485.94	362.85	1,123.09	312,340.19
240	2/1/2045	312,340.19	1,485.94	361.55	1,124.39	311,215.80
241	3/1/2045	311,215.80	1,485.94	360.25	1,125.69	310,090.11
242	4/1/2045	310,090.11	1,485.94	358.95	1,126.99	308,963.12
243	5/1/2045	308,963.12	1,485.94	357.65	1,128.29	307,834.83
244	6/1/2045	307,834.83	1,485.94	356.34	1,129.60	306,705.23
245	7/1/2045	306,705.23	1,485.94	355.03	1,130.91	305,574.32
246	8/1/2045	305,574.32	1,485.94	353.72	1,132.22	304,442.10
247	9/1/2045	304,442.10	1,485.94	352.41	1,133.53	303,308.57
248	10/1/2045	303,308.57	1,485.94	351.10	1,134.84	302,173.73
249	11/1/2045	302,173.73	1,485.94	349.79	1,136.15	301,037.58
250	12/1/2045	301,037.58	1,485.94	348.47	1,137.47	299,900.11
251	1/1/2046	299,900.11	1,485.94	347.15	1,138.79	298,761.32

EXHIBIT A

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
252	2/1/2046	298,761.32	1,485.94	345.84	1,140.10	297,621.22
253	3/1/2046	297,621.22	1,485.94	344.52	1,141.42	296,479.80
254	4/1/2046	296,479.80	1,485.94	343.20	1,142.74	295,337.06
255	5/1/2046	295,337.06	1,485.94	341.87	1,144.07	294,192.99
256	6/1/2046	294,192.99	1,485.94	340.55	1,145.39	293,047.60
257	7/1/2046	293,047.60	1,485.94	339.22	1,146.72	291,900.88
258	8/1/2046	291,900.88	1,485.94	337.89	1,148.05	290,752.83
259	9/1/2046	290,752.83	1,485.94	336.57	1,149.37	289,603.46
260	10/1/2046	289,603.46	1,485.94	335.24	1,150.70	288,452.76
261	11/1/2046	288,452.76	1,485.94	333.90	1,152.04	287,300.72
262	12/1/2046	287,300.72	1,485.94	332.57	1,153.37	286,147.35
263	1/1/2047	286,147.35	1,485.94	331.23	1,154.71	284,992.64
264	2/1/2047	284,992.64	1,485.94	329.90	1,156.04	283,836.60
265	3/1/2047	283,836.60	1,485.94	328.56	1,157.38	282,679.22
266	4/1/2047	282,679.22	1,485.94	327.22	1,158.72	281,520.50
267	5/1/2047	281,520.50	1,485.94	325.88	1,160.06	280,360.44
268	6/1/2047	280,360.44	1,485.94	324.54	1,161.40	279,199.04
269	7/1/2047	279,199.04	1,485.94	323.19	1,162.75	278,036.29
270	8/1/2047	278,036.29	1,485.94	321.85	1,164.09	276,872.20
271	9/1/2047	276,872.20	1,485.94	320.50	1,165.44	275,706.76
272	10/1/2047	275,706.76	1,485.94	319.15	1,166.79	274,539.97
273	11/1/2047	274,539.97	1,485.94	317.80	1,168.14	273,371.83
274	12/1/2047	273,371.83	1,485.94	316.45	1,169.49	272,202.34
275	1/1/2048	272,202.34	1,485.94	315.09	1,170.85	271,031.49
276	2/1/2048	271,031.49	1,485.94	313.74	1,172.20	269,859.29
277	3/1/2048	269,859.29	1,485.94	312.38	1,173.56	268,685.73
278	4/1/2048	268,685.73	1,485.94	311.02	1,174.92	267,510.81
279	5/1/2048	267,510.81	1,485.94	309.66	1,176.28	266,334.53
280	6/1/2048	266,334.53	1,485.94	308.30	1,177.64	265,156.89
281	7/1/2048	265,156.89	1,485.94	306.94	1,179.00	263,977.89
282	8/1/2048	263,977.89	1,485.94	305.57	1,180.37	262,797.52
283	9/1/2048	262,797.52	1,485.94	304.21	1,181.73	261,615.79
284	10/1/2048	261,615.79	1,485.94	302.84	1,183.10	260,432.69
285	11/1/2048	260,432.69	1,485.94	301.47	1,184.47	259,248.22
286	12/1/2048	259,248.22	1,485.94	300.10	1,185.84	258,062.38
287	1/1/2049	258,062.38	1,485.94	298.72	1,187.22	256,875.16
288	2/1/2049	256,875.16	1,485.94	297.35	1,188.59	255,686.57
289	3/1/2049	255,686.57	1,485.94	295.97	1,189.97	254,496.60
290	4/1/2049	254,496.60	1,485.94	294.60	1,191.34	253,305.26
291	5/1/2049	253,305.26	1,485.94	293.22	1,192.72	252,112.54
292	6/1/2049	252,112.54	1,485.94	291.84	1,194.10	250,918.44
293	7/1/2049	250,918.44	1,485.94	290.45	1,195.49	249,722.95
294	8/1/2049	249,722.95	1,485.94	289.07	1,196.87	248,526.08
295	9/1/2049	248,526.08	1,485.94	287.69	1,198.25	247,327.83
296	10/1/2049	247,327.83	1,485.94	286.30	1,199.64	246,128.19
297	11/1/2049	246,128.19	1,485.94	284.91	1,201.03	244,927.16
298	12/1/2049	244,927.16	1,485.94	283.52	1,202.42	243,724.74
299	1/1/2050	243,724.74	1,485.94	282.13	1,203.81	242,520.93
300	2/1/2050	242,520.93	1,485.94	280.73	1,205.21	241,315.72
301	3/1/2050	241,315.72	1,485.94	279.34	1,206.60	240,109.12
302	4/1/2050	240,109.12	1,485.94	277.94	1,208.00	238,901.12
303	5/1/2050	238,901.12	1,485.94	276.54	1,209.40	237,691.72
304	6/1/2050	237,691.72	1,485.94	275.14	1,210.80	236,480.92
305	7/1/2050	236,480.92	1,485.94	273.74	1,212.20	235,268.72
306	8/1/2050	235,268.72	1,485.94	272.34	1,213.60	234,055.12
307	9/1/2050	234,055.12	1,485.94	270.93	1,215.01	232,840.11
308	10/1/2050	232,840.11	1,485.94	269.53	1,216.41	231,623.70
309	11/1/2050	231,623.70	1,485.94	268.12	1,217.82	230,405.88
310	12/1/2050	230,405.88	1,485.94	266.71	1,219.23	229,186.65
311	1/1/2051	229,186.65	1,485.94	265.30	1,220.64	227,966.01
312	2/1/2051	227,966.01	1,485.94	263.89	1,222.05	226,743.96
313	3/1/2051	226,743.96	1,485.94	262.47	1,223.47	225,520.49
314	4/1/2051	225,520.49	1,485.94	261.06	1,224.88	224,295.61
315	5/1/2051	224,295.61	1,485.94	259.64	1,226.30	223,069.31
316	6/1/2051	223,069.31	1,485.94	258.22	1,227.72	221,841.59

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
317	7/1/2051	221,841.59	1,485.94	256.80	1,229.14	220,612.45
318	8/1/2051	220,612.45	1,485.94	255.37	1,230.57	219,381.88
319	9/1/2051	219,381.88	1,485.94	253.95	1,231.99	218,149.89
320	10/1/2051	218,149.89	1,485.94	252.52	1,233.42	216,916.47
321	11/1/2051	216,916.47	1,485.94	251.10	1,234.84	215,681.63
322	12/1/2051	215,681.63	1,485.94	249.67	1,236.27	214,445.36
323	1/1/2052	214,445.36	1,485.94	248.23	1,237.71	213,207.65
324	2/1/2052	213,207.65	1,485.94	246.80	1,239.14	211,968.51
325	3/1/2052	211,968.51	1,485.94	245.37	1,240.57	210,727.94
326	4/1/2052	210,727.94	1,485.94	243.93	1,242.01	209,485.93
327	5/1/2052	209,485.93	1,485.94	242.49	1,243.45	208,242.48
328	6/1/2052	208,242.48	1,485.94	241.05	1,244.89	206,997.59
329	7/1/2052	206,997.59	1,485.94	239.61	1,246.33	205,751.26
330	8/1/2052	205,751.26	1,485.94	238.17	1,247.77	204,503.49
331	9/1/2052	204,503.49	1,485.94	236.73	1,249.21	203,254.28
332	10/1/2052	203,254.28	1,485.94	235.28	1,250.66	202,003.62
333	11/1/2052	202,003.62	1,485.94	233.83	1,252.11	200,751.51
334	12/1/2052	200,751.51	1,485.94	232.38	1,253.56	199,497.95
335	1/1/2053	199,497.95	1,485.94	230.93	1,255.01	198,242.94
336	2/1/2053	198,242.94	1,485.94	229.48	1,256.46	196,986.48
337	3/1/2053	196,986.48	1,485.94	228.02	1,257.92	195,728.56
338	4/1/2053	195,728.56	1,485.94	226.57	1,259.37	194,469.19
339	5/1/2053	194,469.19	1,485.94	225.11	1,260.83	193,208.36
340	6/1/2053	193,208.36	1,485.94	223.65	1,262.29	191,946.07
341	7/1/2053	191,946.07	1,485.94	222.19	1,263.75	190,682.32
342	8/1/2053	190,682.32	1,485.94	220.73	1,265.21	189,417.11
343	9/1/2053	189,417.11	1,485.94	219.26	1,266.68	188,150.43
344	10/1/2053	188,150.43	1,485.94	217.80	1,268.14	186,882.29
345	11/1/2053	186,882.29	1,485.94	216.33	1,269.61	185,612.68
346	12/1/2053	185,612.68	1,485.94	214.86	1,271.08	184,341.60
347	1/1/2054	184,341.60	1,485.94	213.39	1,272.55	183,069.05
348	2/1/2054	183,069.05	1,485.94	211.91	1,274.03	181,795.02
349	3/1/2054	181,795.02	1,485.94	210.44	1,275.50	180,519.52
350	4/1/2054	180,519.52	1,485.94	208.96	1,276.98	179,242.54
351	5/1/2054	179,242.54	1,485.94	207.49	1,278.45	177,964.09
352	6/1/2054	177,964.09	1,485.94	206.01	1,279.93	176,684.16
353	7/1/2054	176,684.16	1,485.94	204.52	1,281.42	175,402.74
354	8/1/2054	175,402.74	1,485.94	203.04	1,282.90	174,119.84
355	9/1/2054	174,119.84	1,485.94	201.56	1,284.38	172,835.46
356	10/1/2054	172,835.46	1,485.94	200.07	1,285.87	171,549.59
357	11/1/2054	171,549.59	1,485.94	198.58	1,287.36	170,262.23
358	12/1/2054	170,262.23	1,485.94	197.09	1,288.85	168,973.38
359	1/1/2055	168,973.38	1,485.94	195.60	1,290.34	167,683.04
360	2/1/2055	167,683.04	1,485.94	194.10	1,291.84	166,391.20
361	3/1/2055	166,391.20	1,485.94	192.61	1,293.33	165,097.87
362	4/1/2055	165,097.87	1,485.94	191.11	1,294.83	163,803.04
363	5/1/2055	163,803.04	1,485.94	189.61	1,296.33	162,506.71
364	6/1/2055	162,506.71	1,485.94	188.11	1,297.83	161,208.88
365	7/1/2055	161,208.88	1,485.94	186.61	1,299.33	159,909.55
366	8/1/2055	159,909.55	1,485.94	185.11	1,300.83	158,608.72
367	9/1/2055	158,608.72	1,485.94	183.60	1,302.34	157,306.38
368	10/1/2055	157,306.38	1,485.94	182.09	1,303.85	156,002.53
369	11/1/2055	156,002.53	1,485.94	180.58	1,305.36	154,697.17
370	12/1/2055	154,697.17	1,485.94	179.07	1,306.87	153,390.30
371	1/1/2056	153,390.30	1,485.94	177.56	1,308.38	152,081.92
372	2/1/2056	152,081.92	1,485.94	176.04	1,309.90	150,772.02
373	3/1/2056	150,772.02	1,485.94	174.53	1,311.41	149,460.61
374	4/1/2056	149,460.61	1,485.94	173.01	1,312.93	148,147.68
375	5/1/2056	148,147.68	1,485.94	171.49	1,314.45	146,833.23
376	6/1/2056	146,833.23	1,485.94	169.97	1,315.97	145,517.26
377	7/1/2056	145,517.26	1,485.94	168.45	1,317.49	144,199.77
378	8/1/2056	144,199.77	1,485.94	166.92	1,319.02	142,880.75
379	9/1/2056	142,880.75	1,485.94	165.39	1,320.55	141,560.20
380	10/1/2056	141,560.20	1,485.94	163.87	1,322.07	140,238.13
381	11/1/2056	140,238.13	1,485.94	162.33	1,323.61	138,914.52

EXHIBIT A

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
382	12/1/2056	138,914.52	1,485.94	160.80	1,325.14	137,589.38
383	1/1/2057	137,589.38	1,485.94	159.27	1,326.67	136,262.71
384	2/1/2057	136,262.71	1,485.94	157.73	1,328.21	134,934.50
385	3/1/2057	134,934.50	1,485.94	156.20	1,329.74	133,604.76
386	4/1/2057	133,604.76	1,485.94	154.66	1,331.28	132,273.48
387	5/1/2057	132,273.48	1,485.94	153.12	1,332.82	130,940.66
388	6/1/2057	130,940.66	1,485.94	151.57	1,334.37	129,606.29
389	7/1/2057	129,606.29	1,485.94	150.03	1,335.91	128,270.38
390	8/1/2057	128,270.38	1,485.94	148.48	1,337.46	126,932.92
391	9/1/2057	126,932.92	1,485.94	146.93	1,339.01	125,593.91
392	10/1/2057	125,593.91	1,485.94	145.38	1,340.56	124,253.35
393	11/1/2057	124,253.35	1,485.94	143.83	1,342.11	122,911.24
394	12/1/2057	122,911.24	1,485.94	142.28	1,343.66	121,567.58
395	1/1/2058	121,567.58	1,485.94	140.72	1,345.22	120,222.36
396	2/1/2058	120,222.36	1,485.94	139.17	1,346.77	118,875.59
397	3/1/2058	118,875.59	1,485.94	137.61	1,348.33	117,527.26
398	4/1/2058	117,527.26	1,485.94	136.05	1,349.89	116,177.37
399	5/1/2058	116,177.37	1,485.94	134.48	1,351.46	114,825.91
400	6/1/2058	114,825.91	1,485.94	132.92	1,353.02	113,472.89
401	7/1/2058	113,472.89	1,485.94	131.35	1,354.59	112,118.30
402	8/1/2058	112,118.30	1,485.94	129.78	1,356.16	110,762.14
403	9/1/2058	110,762.14	1,485.94	128.21	1,357.73	109,404.41
404	10/1/2058	109,404.41	1,485.94	126.64	1,359.30	108,045.11
405	11/1/2058	108,045.11	1,485.94	125.07	1,360.87	106,684.24
406	12/1/2058	106,684.24	1,485.94	123.49	1,362.45	105,321.79
407	1/1/2059	105,321.79	1,485.94	121.92	1,364.02	103,957.77
408	2/1/2059	103,957.77	1,485.94	120.34	1,365.60	102,592.17
409	3/1/2059	102,592.17	1,485.94	118.76	1,367.18	101,224.99
410	4/1/2059	101,224.99	1,485.94	117.17	1,368.77	99,856.22
411	5/1/2059	99,856.22	1,485.94	115.59	1,370.35	98,485.87
412	6/1/2059	98,485.87	1,485.94	114.00	1,371.94	97,113.93
413	7/1/2059	97,113.93	1,485.94	112.42	1,373.52	95,740.41
414	8/1/2059	95,740.41	1,485.94	110.83	1,375.11	94,365.30
415	9/1/2059	94,365.30	1,485.94	109.23	1,376.71	92,988.59
416	10/1/2059	92,988.59	1,485.94	107.64	1,378.30	91,610.29
417	11/1/2059	91,610.29	1,485.94	106.05	1,379.89	90,230.40
418	12/1/2059	90,230.40	1,485.94	104.45	1,381.49	88,848.91
419	1/1/2060	88,848.91	1,485.94	102.85	1,383.09	87,465.82
420	2/1/2060	87,465.82	1,485.94	101.25	1,384.69	86,081.13
421	3/1/2060	86,081.13	1,485.94	99.64	1,386.30	84,694.83
422	4/1/2060	84,694.83	1,485.94	98.04	1,387.90	83,306.93
423	5/1/2060	83,306.93	1,485.94	96.43	1,389.51	81,917.42
424	6/1/2060	81,917.42	1,485.94	94.82	1,391.12	80,526.30
425	7/1/2060	80,526.30	1,485.94	93.21	1,392.73	79,133.57
426	8/1/2060	79,133.57	1,485.94	91.60	1,394.34	77,739.23
427	9/1/2060	77,739.23	1,485.94	89.99	1,395.95	76,343.28
428	10/1/2060	76,343.28	1,485.94	88.37	1,397.57	74,945.71
429	11/1/2060	74,945.71	1,485.94	86.75	1,399.19	73,546.52
430	12/1/2060	73,546.52	1,485.94	85.14	1,400.80	72,145.72
431	1/1/2061	72,145.72	1,485.94	83.51	1,402.43	70,743.29
432	2/1/2061	70,743.29	1,485.94	81.89	1,404.05	69,339.24
433	3/1/2061	69,339.24	1,485.94	80.26	1,405.68	67,933.56
434	4/1/2061	67,933.56	1,485.94	78.64	1,407.30	66,526.26
435	5/1/2061	66,526.26	1,485.94	77.01	1,408.93	65,117.33
436	6/1/2061	65,117.33	1,485.94	75.38	1,410.56	63,706.77
437	7/1/2061	63,706.77	1,485.94	73.74	1,412.20	62,294.57
438	8/1/2061	62,294.57	1,485.94	72.11	1,413.83	60,880.74
439	9/1/2061	60,880.74	1,485.94	70.47	1,415.47	59,465.27
440	10/1/2061	59,465.27	1,485.94	68.84	1,417.10	58,048.17
441	11/1/2061	58,048.17	1,485.94	67.19	1,418.75	56,629.42
442	12/1/2061	56,629.42	1,485.94	65.55	1,420.39	55,209.03
443	1/1/2062	55,209.03	1,485.94	63.91	1,422.03	53,787.00
444	2/1/2062	53,787.00	1,485.94	62.26	1,423.68	52,363.32
445	3/1/2062	52,363.32	1,485.94	60.61	1,425.33	50,937.99
446	4/1/2062	50,937.99	1,485.94	58.96	1,426.98	49,511.01

EXHIBIT A

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
447	5/1/2062	49,511.01	1,485.94	57.31	1,428.63	48,082.38
448	6/1/2062	48,082.38	1,485.94	55.66	1,430.28	46,652.10
449	7/1/2062	46,652.10	1,485.94	54.00	1,431.94	45,220.16
450	8/1/2062	45,220.16	1,485.94	52.35	1,433.59	43,786.57
451	9/1/2062	43,786.57	1,485.94	50.69	1,435.25	42,351.32
452	10/1/2062	42,351.32	1,485.94	49.02	1,436.92	40,914.40
453	11/1/2062	40,914.40	1,485.94	47.36	1,438.58	39,475.82
454	12/1/2062	39,475.82	1,485.94	45.70	1,440.24	38,035.58
455	1/1/2063	38,035.58	1,485.94	44.03	1,441.91	36,593.67
456	2/1/2063	36,593.67	1,485.94	42.36	1,443.58	35,150.09
457	3/1/2063	35,150.09	1,485.94	40.69	1,445.25	33,704.84
458	4/1/2063	33,704.84	1,485.94	39.02	1,446.92	32,257.92
459	5/1/2063	32,257.92	1,485.94	37.34	1,448.60	30,809.32
460	6/1/2063	30,809.32	1,485.94	35.66	1,450.28	29,359.04
461	7/1/2063	29,359.04	1,485.94	33.99	1,451.95	27,907.09
462	8/1/2063	27,907.09	1,485.94	32.30	1,453.64	26,453.45
463	9/1/2063	26,453.45	1,485.94	30.62	1,455.32	24,998.13
464	10/1/2063	24,998.13	1,485.94	28.94	1,457.00	23,541.13
465	11/1/2063	23,541.13	1,485.94	27.25	1,458.69	22,082.44
466	12/1/2063	22,082.44	1,485.94	25.56	1,460.38	20,622.06
467	1/1/2064	20,622.06	1,485.94	23.87	1,462.07	19,159.99
468	2/1/2064	19,159.99	1,485.94	22.18	1,463.76	17,696.23
469	3/1/2064	17,696.23	1,485.94	20.48	1,465.46	16,230.77
470	4/1/2064	16,230.77	1,485.94	18.79	1,467.15	14,763.62
471	5/1/2064	14,763.62	1,485.94	17.09	1,468.85	13,294.77
472	6/1/2064	13,294.77	1,485.94	15.39	1,470.55	11,824.22
473	7/1/2064	11,824.22	1,485.94	13.69	1,472.25	10,351.97
474	8/1/2064	10,351.97	1,485.94	11.98	1,473.96	8,878.01
475	9/1/2064	8,878.01	1,485.94	10.28	1,475.66	7,402.35
476	10/1/2064	7,402.35	1,485.94	8.57	1,477.37	5,924.98
477	11/1/2064	5,924.98	1,485.94	6.86	1,479.08	4,445.90
478	12/1/2064	4,445.90	1,485.94	5.15	1,480.79	2,965.11
479	1/1/2065	2,965.11	1,485.94	3.43	1,482.51	1,482.60
480	2/1/2065	1,482.60	1,484.32	1.72	1,482.60	-

SECURED PROMISSORY NOTE

PASS Series C – Market Rate Loan
(Normandy Apartments)

Principal Amount: \$12,337,122.00

San Francisco, CA

Date: [Date]

FOR VALUE RECEIVED, the undersigned, **1155 Ellis GP LLC**, a California limited liability company ("**Maker**"), hereby promises to pay to the order of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, or holder (as the case may be, "**Holder**"), the principal sum of Twelve Million Three Hundred Thirty-Seven Thousand One Hundred Twenty-Two and No/100 Dollars (\$12,337,122.00) (the "**Series C Market Rate Loan Amount**"), or so much of the Series C Market Rate Loan Amount as may be disbursed from time to time pursuant to the Agreement described in Section 1 below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("**Note**") is given under the terms of a Loan Agreement by and between Maker and Holder dated as of the date of this Note, as it may be amended from time to time (the "**Agreement**"), which Agreement is incorporated herein by reference. Maker's obligations under this Note and the Agreement are secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (PASS Program) dated as of the date of this Note, made by Maker for the benefit of Holder (the "**PASS Deed of Trust**"). Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of 3.87289% per annum, from the date of the close of escrow through the date of full payment of all amounts owing under the City Documents. Interest will be compounded monthly and computed on the basis of a 360-day year consisting of 12 months of 30 days each, which will result in higher interest charges than if a 365-day year were used.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, interest will be deemed to have accrued on the outstanding principal balance of the Series C Market Rate Loan at a compounded annual rate equal to ten percent (10%), commencing on the date of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the City Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient, and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any City Document.

4. Repayment of Series C Market Rate Loan. Maker must make payments of principal and interest in monthly installments (each, a "**Payment**") equal to the amount specified by the amortization schedule attached as Exhibit A. All Payments will be applied to the

following in the following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid interest; and (c) reduction of the principal balance of the Series C Market Rate Loan. The unpaid principal balance of the Series C Market Rate Loan, together with accrued and unpaid interest and unpaid fees and costs incurred, will be due and payable on the date that is the fortieth (40th) anniversary of the First Payment Date as defined in Section 6.5 (the "**Maturity Date**"). Any Payment Date, including the Maturity Date, that falls on a weekend or holiday will be deemed to fall on the next succeeding business day.

5. Security. Maker's obligations under this Note are secured by the PASS Deed of Trust.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Holder will have the right in its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 No prepayment of this Note shall be permitted except as otherwise set forth in this Note or in the Agreement. This Note may be prepaid on or after the tenth anniversary of the first day of the first full month following the date that the PASS Deed of Trust is recorded in the Recorder's Office of San Francisco County (the "**First Payment Date**"). On or after the tenth anniversary of the First Payment Date, the Series C Market Rate Loan may be prepaid, in whole but not in part, and Maker shall be required to pay a premium of: (i) 2% of the total amount being prepaid if the Series C Market Rate Loan is prepaid prior to the eleventh anniversary of the First Payment Date; (ii) 1% of the total amount being prepaid if the Series C Market Rate Loan is prepaid on or after the eleventh anniversary of the First Payment Date and prior to the twelfth anniversary of the First Payment Date; or (iii) no prepayment premium or penalty if the Series C Market Rate Loan is prepaid on or after the twelfth anniversary of the First Payment Date. The Series C Market Rate Loan may not be prepaid unless the Series C Market Rate Loan, the Deferred Loan, and the BMR Loan, and in Holder's sole discretion, the SSP Loan, are also all paid in full. Maker shall provide Holder with at least thirty (30) days' prior written notice of any intended prepayments. Maker shall be required to pay any premiums, and proportionate costs and expenses associated with the redemption of the Bonds which would result from a prepayment of the Series C Market Rate Loan including, but not limited to, accrued interest on the Bonds from the date of such prepayment to the date of redemption of the Bonds.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Project, including without limitation, the SSP Note, the Series C Market Rate Note, the Deferred Notes, and the BMR Notes.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the City Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the Series C Market Rate Loan (along with the Series A Market Rate Loan, the BMR Loan, the Deferred Loan, and the SSP Loan), together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

7.3 Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the PASS Deed of Trust, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the Series C Market Rate Loan, provided, however, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the City Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover sums arising under any obligation of Maker to indemnify Holder of sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including Series C Market Rate Loan funds and Rents), waste or negligent or intentional damage to the collateral for the Series C Market Rate Loan.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

"MAKER"

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

EXHIBIT A

Amortization Schedule Attached.

EXHIBIT A

Project Name: Normandy Apartments
Sponsor: Tenderloin Neighborhood Development Corporation

Loan Amount	12,337,122.00
Rate	3.87289%
Term	40
Amortization	40
Monthly Payment	50,590.59

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
1	3/1/2025	12,337,122.00	50,590.59	42,843.23	(3,026.30)	10,773.66	12,326,348.34
2	4/1/2025	12,326,348.34	50,590.59	42,805.81	(3,023.65)	10,808.43	12,315,539.91
3	5/1/2025	12,315,539.91	50,590.59	42,768.28	(3,021.00)	10,843.31	12,304,696.60
4	6/1/2025	12,304,696.60	50,590.59	42,730.62	(3,018.34)	10,878.31	12,293,818.29
5	7/1/2025	12,293,818.29	50,590.59	42,692.85	(3,015.68)	10,913.42	12,282,904.87
6	8/1/2025	12,282,904.87	50,590.59	42,654.95	(3,013.00)	10,948.64	12,271,956.23
7	9/1/2025	12,271,956.23	50,590.59	42,616.92	(3,010.31)	10,983.98	12,260,972.25
8	10/1/2025	12,260,972.25	50,590.59	42,578.78	(3,007.62)	11,019.43	12,249,952.82
9	11/1/2025	12,249,952.82	50,590.59	42,540.51	(3,004.91)	11,054.99	12,238,897.83
10	12/1/2025	12,238,897.83	50,590.59	42,502.12	(3,002.20)	11,090.67	12,227,807.16
11	1/1/2026	12,227,807.16	50,590.59	42,463.61	(2,999.48)	11,126.46	12,216,680.70
12	2/1/2026	12,216,680.70	50,590.59	42,424.97	(2,996.75)	11,162.37	12,205,518.33
13	3/1/2026	12,205,518.33	50,590.59	42,386.21	(2,994.02)	11,198.40	12,194,319.93
14	4/1/2026	12,194,319.93	50,590.59	42,347.32	(2,991.27)	11,234.54	12,183,085.39
15	5/1/2026	12,183,085.39	50,590.59	42,308.30	(2,988.51)	11,270.80	12,171,814.59
16	6/1/2026	12,171,814.59	50,590.59	42,269.16	(2,985.74)	11,307.17	12,160,507.42
17	7/1/2026	12,160,507.42	50,590.59	42,229.90	(2,982.98)	11,343.67	12,149,163.75
18	8/1/2026	12,149,163.75	50,590.59	42,190.50	(2,980.19)	11,380.28	12,137,783.47
19	9/1/2026	12,137,783.47	50,590.59	42,150.98	(2,977.40)	11,417.01	12,126,366.46
20	10/1/2026	12,126,366.46	50,590.59	42,111.33	(2,974.59)	11,453.85	12,114,912.61
21	11/1/2026	12,114,912.61	50,590.59	42,071.56	(2,971.79)	11,490.82	12,103,421.79
22	12/1/2026	12,103,421.79	50,590.59	42,031.65	(2,968.97)	11,527.91	12,091,893.88
23	1/1/2027	12,091,893.88	50,590.59	41,991.62	(2,966.14)	11,565.11	12,080,328.77
24	2/1/2027	12,080,328.77	50,590.59	41,951.46	(2,963.31)	11,602.44	12,068,726.33
25	3/1/2027	12,068,726.33	50,590.59	41,911.17	(2,960.46)	11,639.88	12,057,086.45
26	4/1/2027	12,057,086.45	50,590.59	41,870.74	(2,957.60)	11,677.45	12,045,409.00
27	5/1/2027	12,045,409.00	50,590.59	41,830.19	(2,954.74)	11,715.14	12,033,693.86
28	6/1/2027	12,033,693.86	50,590.59	41,789.51	(2,951.87)	11,752.95	12,021,940.91
29	7/1/2027	12,021,940.91	50,590.59	41,748.69	(2,948.98)	11,790.88	12,010,150.03
30	8/1/2027	12,010,150.03	50,590.59	41,707.75	(2,946.09)	11,828.93	11,998,321.10
31	9/1/2027	11,998,321.10	50,590.59	41,666.67	(2,943.19)	11,867.11	11,986,453.99
32	10/1/2027	11,986,453.99	50,590.59	41,625.46	(2,940.28)	11,905.41	11,974,548.58
33	11/1/2027	11,974,548.58	50,590.59	41,584.11	(2,937.35)	11,943.83	11,962,604.75
34	12/1/2027	11,962,604.75	50,590.59	41,542.64	(2,934.43)	11,982.38	11,950,622.37
35	1/1/2028	11,950,622.37	50,590.59	41,501.03	(2,931.49)	12,021.05	11,938,601.32
36	2/1/2028	11,938,601.32	50,590.59	41,459.28	(2,928.54)	12,059.85	11,926,541.47
37	3/1/2028	11,926,541.47	50,590.59	41,417.40	(2,925.58)	12,098.77	11,914,442.70
38	4/1/2028	11,914,442.70	50,590.59	41,375.38	(2,922.61)	12,137.82	11,902,304.88
39	5/1/2028	11,902,304.88	50,590.59	41,333.23	(2,919.63)	12,176.99	11,890,127.89
40	6/1/2028	11,890,127.89	50,590.59	41,290.95	(2,916.65)	12,216.29	11,877,911.60
41	7/1/2028	11,877,911.60	50,590.59	41,248.52	(2,913.65)	12,255.72	11,865,655.88
42	8/1/2028	11,865,655.88	50,590.59	41,205.96	(2,910.64)	12,295.27	11,853,360.61
43	9/1/2028	11,853,360.61	50,590.59	41,163.26	(2,907.63)	12,334.96	11,841,025.65
44	10/1/2028	11,841,025.65	50,590.59	41,120.43	(2,904.61)	12,374.77	11,828,650.88
45	11/1/2028	11,828,650.88	50,590.59	41,077.45	(2,901.56)	12,414.70	11,816,236.18
46	12/1/2028	11,816,236.18	50,590.59	41,034.34	(2,898.52)	12,454.77	11,803,781.41
47	1/1/2029	11,803,781.41	50,590.59	40,991.09	(2,895.47)	12,494.97	11,791,286.44
48	2/1/2029	11,791,286.44	50,590.59	40,947.70	(2,892.40)	12,535.29	11,778,751.15
49	3/1/2029	11,778,751.15	50,590.59	40,904.17	(2,889.33)	12,575.75	11,766,175.40
50	4/1/2029	11,766,175.40	50,590.59	40,860.50	(2,886.25)	12,616.34	11,753,559.06
51	5/1/2029	11,753,559.06	50,590.59	40,816.68	(2,883.15)	12,657.06	11,740,902.00
52	6/1/2029	11,740,902.00	50,590.59	40,772.73	(2,880.05)	12,697.91	11,728,204.09
53	7/1/2029	11,728,204.09	50,590.59	40,728.63	(2,876.93)	12,738.89	11,715,465.20
54	8/1/2029	11,715,465.20	50,590.59	40,684.39	(2,873.80)	12,780.00	11,702,685.20
55	9/1/2029	11,702,685.20	50,590.59	40,640.01	(2,870.67)	12,821.25	11,689,863.95
56	10/1/2029	11,689,863.95	50,590.59	40,595.49	(2,867.53)	12,862.63	11,677,001.32
57	11/1/2029	11,677,001.32	50,590.59	40,550.82	(2,864.37)	12,904.14	11,664,097.18
58	12/1/2029	11,664,097.18	50,590.59	40,506.01	(2,861.21)	12,945.79	11,651,151.39

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
59	1/1/2030	11,651,151.39	50,590.59	40,461.05	(2,858.03)	12,987.57	11,638,163.82
60	2/1/2030	11,638,163.82	50,590.59	40,415.95	(2,854.84)	13,029.48	11,625,134.34
61	3/1/2030	11,625,134.34	50,590.59	40,370.70	(2,851.64)	13,071.53	11,612,062.81
62	4/1/2030	11,612,062.81	50,590.59	40,325.31	(2,848.44)	13,113.72	11,598,949.09
63	5/1/2030	11,598,949.09	50,590.59	40,279.77	(2,845.23)	13,156.05	11,585,793.04
64	6/1/2030	11,585,793.04	50,590.59	40,234.08	(2,841.99)	13,198.50	11,572,594.54
65	7/1/2030	11,572,594.54	50,590.59	40,188.25	(2,838.76)	13,241.10	11,559,353.44
66	8/1/2030	11,559,353.44	50,590.59	40,142.26	(2,835.51)	13,283.84	11,546,069.60
67	9/1/2030	11,546,069.60	50,590.59	40,096.13	(2,832.25)	13,326.71	11,532,742.89
68	10/1/2030	11,532,742.89	50,590.59	40,049.85	(2,828.98)	13,369.72	11,519,373.17
69	11/1/2030	11,519,373.17	50,590.59	40,003.42	(2,825.70)	13,412.87	11,505,960.30
70	12/1/2030	11,505,960.30	50,590.59	39,956.84	(2,822.41)	13,456.16	11,492,504.14
71	1/1/2031	11,492,504.14	50,590.59	39,910.11	(2,819.11)	13,499.59	11,479,004.55
72	2/1/2031	11,479,004.55	50,590.59	39,863.23	(2,815.80)	13,543.16	11,465,461.39
73	3/1/2031	11,465,461.39	50,590.59	39,816.20	(2,812.47)	13,586.86	11,451,874.53
74	4/1/2031	11,451,874.53	50,590.59	39,769.02	(2,809.14)	13,630.71	11,438,243.82
75	5/1/2031	11,438,243.82	50,590.59	39,721.68	(2,805.80)	13,674.71	11,424,569.11
76	6/1/2031	11,424,569.11	50,590.59	39,674.20	(2,802.45)	13,718.84	11,410,850.27
77	7/1/2031	11,410,850.27	50,590.59	39,626.55	(2,799.08)	13,763.12	11,397,087.15
78	8/1/2031	11,397,087.15	50,590.59	39,578.76	(2,795.71)	13,807.54	11,383,279.61
79	9/1/2031	11,383,279.61	50,590.59	39,530.81	(2,792.32)	13,852.10	11,369,427.51
80	10/1/2031	11,369,427.51	50,590.59	39,482.71	(2,788.92)	13,896.80	11,355,530.71
81	11/1/2031	11,355,530.71	50,590.59	39,434.45	(2,785.52)	13,941.66	11,341,589.05
82	12/1/2031	11,341,589.05	50,590.59	39,386.03	(2,782.09)	13,986.65	11,327,602.40
83	1/1/2032	11,327,602.40	50,590.59	39,337.46	(2,778.66)	14,031.79	11,313,570.61
84	2/1/2032	11,313,570.61	50,590.59	39,288.73	(2,775.22)	14,077.08	11,299,493.53
85	3/1/2032	11,299,493.53	50,590.59	39,239.85	(2,771.77)	14,122.51	11,285,371.02
86	4/1/2032	11,285,371.02	50,590.59	39,190.80	(2,768.30)	14,168.09	11,271,202.93
87	5/1/2032	11,271,202.93	50,590.59	39,141.60	(2,764.83)	14,213.82	11,256,989.11
88	6/1/2032	11,256,989.11	50,590.59	39,092.24	(2,761.34)	14,259.69	11,242,729.42
89	7/1/2032	11,242,729.42	50,590.59	39,042.72	(2,757.84)	14,305.71	11,228,423.71
90	8/1/2032	11,228,423.71	50,590.59	38,993.04	(2,754.33)	14,351.88	11,214,071.83
91	9/1/2032	11,214,071.83	50,590.59	38,943.20	(2,750.81)	14,398.20	11,199,673.63
92	10/1/2032	11,199,673.63	50,590.59	38,893.20	(2,747.28)	14,444.67	11,185,228.96
93	11/1/2032	11,185,228.96	50,590.59	38,843.04	(2,743.74)	14,491.29	11,170,737.67
94	12/1/2032	11,170,737.67	50,590.59	38,792.71	(2,740.18)	14,538.06	11,156,199.61
95	1/1/2033	11,156,199.61	50,590.59	38,742.23	(2,736.62)	14,584.98	11,141,614.63
96	2/1/2033	11,141,614.63	50,590.59	38,691.58	(2,733.04)	14,632.05	11,126,982.58
97	3/1/2033	11,126,982.58	50,590.59	38,640.77	(2,729.45)	14,679.27	11,112,303.31
98	4/1/2033	11,112,303.31	50,590.59	38,589.79	(2,725.85)	14,726.65	11,097,576.66
99	5/1/2033	11,097,576.66	50,590.59	38,538.65	(2,722.24)	14,774.18	11,082,802.48
100	6/1/2033	11,082,802.48	50,590.59	38,487.34	(2,718.61)	14,821.86	11,067,980.62
101	7/1/2033	11,067,980.62	50,590.59	38,435.87	(2,714.98)	14,869.70	11,053,110.92
102	8/1/2033	11,053,110.92	50,590.59	38,384.23	(2,711.33)	14,917.69	11,038,193.23
103	9/1/2033	11,038,193.23	50,590.59	38,332.43	(2,707.67)	14,965.83	11,023,227.40
104	10/1/2033	11,023,227.40	50,590.59	38,280.45	(2,703.99)	15,014.13	11,008,213.27
105	11/1/2033	11,008,213.27	50,590.59	38,228.31	(2,700.31)	15,062.59	10,993,150.68
106	12/1/2033	10,993,150.68	50,590.59	38,176.01	(2,696.62)	15,111.20	10,978,039.48
107	1/1/2034	10,978,039.48	50,590.59	38,123.53	(2,692.91)	15,159.97	10,962,879.51
108	2/1/2034	10,962,879.51	50,590.59	38,070.88	(2,689.19)	15,208.90	10,947,670.61
109	3/1/2034	10,947,670.61	50,590.59	38,018.07	(2,685.47)	15,257.99	10,932,412.62
110	4/1/2034	10,932,412.62	50,590.59	37,965.08	(2,681.72)	15,307.23	10,917,105.39
111	5/1/2034	10,917,105.39	50,590.59	37,911.92	(2,677.96)	15,356.63	10,901,748.76
112	6/1/2034	10,901,748.76	50,590.59	37,858.59	(2,674.20)	15,406.20	10,886,342.56
113	7/1/2034	10,886,342.56	50,590.59	37,805.09	(2,670.42)	15,455.92	10,870,886.64
114	8/1/2034	10,870,886.64	50,590.59	37,751.42	(2,666.63)	15,505.80	10,855,380.84
115	9/1/2034	10,855,380.84	50,590.59	37,697.57	(2,662.82)	15,555.84	10,839,825.00
116	10/1/2034	10,839,825.00	50,590.59	37,643.55	(2,659.01)	15,606.05	10,824,218.95
117	11/1/2034	10,824,218.95	50,590.59	37,589.36	(2,655.19)	15,656.42	10,808,562.53
118	12/1/2034	10,808,562.53	50,590.59	37,534.99	(2,651.35)	15,706.95	10,792,855.58
119	1/1/2035	10,792,855.58	50,590.59	37,480.44	(2,647.49)	15,757.64	10,777,097.94
120	2/1/2035	10,777,097.94	50,590.59	37,425.72	(2,643.62)	15,808.49	10,761,289.45
121	3/1/2035	10,761,289.45	50,590.59	37,370.82	(2,639.74)	15,859.51	10,745,429.94
122	4/1/2035	10,745,429.94	50,590.59	37,315.74	(2,635.85)	15,910.70	10,729,519.24
123	5/1/2035	10,729,519.24	50,590.59	37,260.49	(2,631.95)	15,962.05	10,713,557.19
124	6/1/2035	10,713,557.19	50,590.59	37,205.06	(2,628.04)	16,013.57	10,697,543.62
125	7/1/2035	10,697,543.62	50,590.59	37,149.45	(2,624.11)	16,065.25	10,681,478.37

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MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
126	8/1/2035	10,681,478.37	50,590.59	37,093.66	(2,620.17)	16,117.10	10,665,361.27
127	9/1/2035	10,665,361.27	50,590.59	37,037.69	(2,616.21)	16,169.11	10,649,192.16
128	10/1/2035	10,649,192.16	50,590.59	36,981.54	(2,612.25)	16,221.30	10,632,970.86
129	11/1/2035	10,632,970.86	50,590.59	36,925.21	(2,608.27)	16,273.65	10,616,697.21
130	12/1/2035	10,616,697.21	50,590.59	36,868.69	(2,604.27)	16,326.17	10,600,371.04
131	1/1/2036	10,600,371.04	50,590.59	36,812.00	(2,600.27)	16,378.86	10,583,992.18
132	2/1/2036	10,583,992.18	50,590.59	36,755.12	(2,596.26)	16,431.73	10,567,560.45
133	3/1/2036	10,567,560.45	50,590.59	36,698.06	(2,592.23)	16,484.76	10,551,075.69
134	4/1/2036	10,551,075.69	50,590.59	36,640.81	(2,588.18)	16,537.96	10,534,537.73
135	5/1/2036	10,534,537.73	50,590.59	36,583.38	(2,584.13)	16,591.34	10,517,946.39
136	6/1/2036	10,517,946.39	50,590.59	36,525.76	(2,580.05)	16,644.88	10,501,301.51
137	7/1/2036	10,501,301.51	50,590.59	36,467.96	(2,575.97)	16,698.60	10,484,602.91
138	8/1/2036	10,484,602.91	50,590.59	36,409.97	(2,571.88)	16,752.50	10,467,850.41
139	9/1/2036	10,467,850.41	50,590.59	36,351.79	(2,567.76)	16,806.56	10,451,043.85
140	10/1/2036	10,451,043.85	50,590.59	36,293.43	(2,563.64)	16,860.80	10,434,183.05
141	11/1/2036	10,434,183.05	50,590.59	36,234.87	(2,559.50)	16,915.22	10,417,267.83
142	12/1/2036	10,417,267.83	50,590.59	36,176.13	(2,555.35)	16,969.81	10,400,298.02
143	1/1/2037	10,400,298.02	50,590.59	36,117.20	(2,551.19)	17,024.58	10,383,273.44
144	2/1/2037	10,383,273.44	50,590.59	36,058.08	(2,547.02)	17,079.53	10,366,193.91
145	3/1/2037	10,366,193.91	50,590.59	35,998.77	(2,542.83)	17,134.65	10,349,059.26
146	4/1/2037	10,349,059.26	50,590.59	35,939.26	(2,538.62)	17,189.95	10,331,869.31
147	5/1/2037	10,331,869.31	50,590.59	35,879.57	(2,534.41)	17,245.43	10,314,623.88
148	6/1/2037	10,314,623.88	50,590.59	35,819.68	(2,530.18)	17,301.09	10,297,322.79
149	7/1/2037	10,297,322.79	50,590.59	35,759.60	(2,525.93)	17,356.92	10,279,965.87
150	8/1/2037	10,279,965.87	50,590.59	35,699.32	(2,521.67)	17,412.94	10,262,552.93
151	9/1/2037	10,262,552.93	50,590.59	35,638.85	(2,517.40)	17,469.14	10,245,083.79
152	10/1/2037	10,245,083.79	50,590.59	35,578.19	(2,513.12)	17,525.52	10,227,558.27
153	11/1/2037	10,227,558.27	50,590.59	35,517.33	(2,508.82)	17,582.08	10,209,976.19
154	12/1/2037	10,209,976.19	50,590.59	35,456.27	(2,504.51)	17,638.83	10,192,337.36
155	1/1/2038	10,192,337.36	50,590.59	35,395.01	(2,500.18)	17,695.76	10,174,641.60
156	2/1/2038	10,174,641.60	50,590.59	35,333.56	(2,495.84)	17,752.87	10,156,888.73
157	3/1/2038	10,156,888.73	50,590.59	35,271.91	(2,491.48)	17,810.16	10,139,078.57
158	4/1/2038	10,139,078.57	50,590.59	35,210.06	(2,487.11)	17,867.64	10,121,210.93
159	5/1/2038	10,121,210.93	50,590.59	35,148.01	(2,482.73)	17,925.31	10,103,285.62
160	6/1/2038	10,103,285.62	50,590.59	35,085.76	(2,478.33)	17,983.16	10,085,302.46
161	7/1/2038	10,085,302.46	50,590.59	35,023.31	(2,473.92)	18,041.20	10,067,261.26
162	8/1/2038	10,067,261.26	50,590.59	34,960.66	(2,469.50)	18,099.43	10,049,161.83
163	9/1/2038	10,049,161.83	50,590.59	34,897.81	(2,465.06)	18,157.84	10,031,003.99
164	10/1/2038	10,031,003.99	50,590.59	34,834.75	(2,460.60)	18,216.44	10,012,787.55
165	11/1/2038	10,012,787.55	50,590.59	34,771.49	(2,456.14)	18,275.24	9,994,512.31
166	12/1/2038	9,994,512.31	50,590.59	34,708.03	(2,451.66)	18,334.22	9,976,178.09
167	1/1/2039	9,976,178.09	50,590.59	34,644.36	(2,447.16)	18,393.39	9,957,784.70
168	2/1/2039	9,957,784.70	50,590.59	34,580.48	(2,442.64)	18,452.75	9,939,331.95
169	3/1/2039	9,939,331.95	50,590.59	34,516.40	(2,438.12)	18,512.31	9,920,819.64
170	4/1/2039	9,920,819.64	50,590.59	34,452.11	(2,433.57)	18,572.05	9,902,247.59
171	5/1/2039	9,902,247.59	50,590.59	34,387.62	(2,429.02)	18,631.99	9,883,615.60
172	6/1/2039	9,883,615.60	50,590.59	34,322.91	(2,424.45)	18,692.13	9,864,923.47
173	7/1/2039	9,864,923.47	50,590.59	34,258.00	(2,419.86)	18,752.45	9,846,171.02
174	8/1/2039	9,846,171.02	50,590.59	34,192.88	(2,415.27)	18,812.98	9,827,358.04
175	9/1/2039	9,827,358.04	50,590.59	34,127.55	(2,410.65)	18,873.69	9,808,484.35
176	10/1/2039	9,808,484.35	50,590.59	34,062.01	(2,406.03)	18,934.61	9,789,549.74
177	11/1/2039	9,789,549.74	50,590.59	33,996.25	(2,401.38)	18,995.72	9,770,554.02
178	12/1/2039	9,770,554.02	50,590.59	33,930.28	(2,396.71)	19,057.02	9,751,497.00
179	1/1/2040	9,751,497.00	50,590.59	33,864.10	(2,392.04)	19,118.53	9,732,378.47
180	2/1/2040	9,732,378.47	50,590.59	33,797.71	(2,387.35)	19,180.23	9,713,198.24
181	3/1/2040	9,713,198.24	50,590.59	33,731.10	(2,382.64)	19,242.13	9,693,956.11
182	4/1/2040	9,693,956.11	50,590.59	33,664.28	(2,377.93)	19,304.24	9,674,651.87
183	5/1/2040	9,674,651.87	50,590.59	33,597.24	(2,373.19)	19,366.54	9,655,285.33
184	6/1/2040	9,655,285.33	50,590.59	33,529.99	(2,368.44)	19,429.04	9,635,856.29
185	7/1/2040	9,635,856.29	50,590.59	33,462.52	(2,363.68)	19,491.75	9,616,364.54
186	8/1/2040	9,616,364.54	50,590.59	33,394.83	(2,358.89)	19,554.65	9,596,809.89
187	9/1/2040	9,596,809.89	50,590.59	33,326.92	(2,354.10)	19,617.77	9,577,192.12
188	10/1/2040	9,577,192.12	50,590.59	33,258.79	(2,349.28)	19,681.08	9,557,511.04
189	11/1/2040	9,557,511.04	50,590.59	33,190.45	(2,344.46)	19,744.60	9,537,766.44
190	12/1/2040	9,537,766.44	50,590.59	33,121.88	(2,339.61)	19,808.32	9,517,958.12
191	1/1/2041	9,517,958.12	50,590.59	33,053.09	(2,334.75)	19,872.25	9,498,085.87
192	2/1/2041	9,498,085.87	50,590.59	32,984.08	(2,329.88)	19,936.39	9,478,149.48

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
193	3/1/2041	9,478,149.48	50,590.59	32,914.85	(2,324.99)	20,000.73	9,458,148.75
194	4/1/2041	9,458,148.75	50,590.59	32,845.39	(2,320.08)	20,065.28	9,438,083.47
195	5/1/2041	9,438,083.47	50,590.59	32,775.71	(2,315.16)	20,130.04	9,417,953.43
196	6/1/2041	9,417,953.43	50,590.59	32,705.81	(2,310.23)	20,195.01	9,397,758.42
197	7/1/2041	9,397,758.42	50,590.59	32,635.67	(2,305.27)	20,260.19	9,377,498.23
198	8/1/2041	9,377,498.23	50,590.59	32,565.32	(2,300.30)	20,325.57	9,357,172.66
199	9/1/2041	9,357,172.66	50,590.59	32,494.73	(2,295.31)	20,391.17	9,336,781.49
200	10/1/2041	9,336,781.49	50,590.59	32,423.92	(2,290.31)	20,456.98	9,316,324.51
201	11/1/2041	9,316,324.51	50,590.59	32,352.88	(2,285.30)	20,523.01	9,295,801.50
202	12/1/2041	9,295,801.50	50,590.59	32,281.61	(2,280.26)	20,589.24	9,275,212.26
203	1/1/2042	9,275,212.26	50,590.59	32,210.11	(2,275.21)	20,655.69	9,254,556.57
204	2/1/2042	9,254,556.57	50,590.59	32,138.38	(2,270.15)	20,722.36	9,233,834.21
205	3/1/2042	9,233,834.21	50,590.59	32,066.41	(2,265.06)	20,789.24	9,213,044.97
206	4/1/2042	9,213,044.97	50,590.59	31,994.22	(2,259.96)	20,856.33	9,192,188.64
207	5/1/2042	9,192,188.64	50,590.59	31,921.79	(2,254.84)	20,923.64	9,171,265.00
208	6/1/2042	9,171,265.00	50,590.59	31,849.13	(2,249.71)	20,991.17	9,150,273.83
209	7/1/2042	9,150,273.83	50,590.59	31,776.23	(2,244.56)	21,058.92	9,129,214.91
210	8/1/2042	9,129,214.91	50,590.59	31,703.10	(2,239.40)	21,126.89	9,108,088.02
211	9/1/2042	9,108,088.02	50,590.59	31,629.73	(2,234.21)	21,195.07	9,086,892.95
212	10/1/2042	9,086,892.95	50,590.59	31,556.13	(2,229.02)	21,263.48	9,065,629.47
213	11/1/2042	9,065,629.47	50,590.59	31,482.29	(2,223.80)	21,332.10	9,044,297.37
214	12/1/2042	9,044,297.37	50,590.59	31,408.21	(2,218.57)	21,400.95	9,022,896.42
215	1/1/2043	9,022,896.42	50,590.59	31,333.89	(2,213.32)	21,470.02	9,001,426.40
216	2/1/2043	9,001,426.40	50,590.59	31,259.33	(2,208.05)	21,539.31	8,979,887.09
217	3/1/2043	8,979,887.09	50,590.59	31,184.53	(2,202.77)	21,608.83	8,958,278.26
218	4/1/2043	8,958,278.26	50,590.59	31,109.49	(2,197.47)	21,678.57	8,936,599.69
219	5/1/2043	8,936,599.69	50,590.59	31,034.20	(2,192.14)	21,748.53	8,914,851.16
220	6/1/2043	8,914,851.16	50,590.59	30,958.68	(2,186.82)	21,818.73	8,893,032.43
221	7/1/2043	8,893,032.43	50,590.59	30,882.91	(2,181.46)	21,889.14	8,871,143.29
222	8/1/2043	8,871,143.29	50,590.59	30,806.89	(2,176.09)	21,959.79	8,849,183.50
223	9/1/2043	8,849,183.50	50,590.59	30,730.63	(2,170.70)	22,030.66	8,827,152.84
224	10/1/2043	8,827,152.84	50,590.59	30,654.13	(2,165.30)	22,101.76	8,805,051.08
225	11/1/2043	8,805,051.08	50,590.59	30,577.37	(2,159.87)	22,173.09	8,782,877.99
226	12/1/2043	8,782,877.99	50,590.59	30,500.37	(2,154.44)	22,244.66	8,760,633.33
227	1/1/2044	8,760,633.33	50,590.59	30,423.12	(2,148.98)	22,316.45	8,738,316.88
228	2/1/2044	8,738,316.88	50,590.59	30,345.63	(2,143.51)	22,388.47	8,715,928.41
229	3/1/2044	8,715,928.41	50,590.59	30,267.88	(2,138.02)	22,460.73	8,693,467.68
230	4/1/2044	8,693,467.68	50,590.59	30,189.88	(2,132.51)	22,533.22	8,670,934.46
231	5/1/2044	8,670,934.46	50,590.59	30,111.63	(2,126.98)	22,605.94	8,648,328.52
232	6/1/2044	8,648,328.52	50,590.59	30,033.12	(2,121.43)	22,678.90	8,625,649.62
233	7/1/2044	8,625,649.62	50,590.59	29,954.37	(2,115.88)	22,752.10	8,602,897.52
234	8/1/2044	8,602,897.52	50,590.59	29,875.35	(2,110.29)	22,825.53	8,580,071.99
235	9/1/2044	8,580,071.99	50,590.59	29,796.09	(2,104.69)	22,899.19	8,557,172.80
236	10/1/2044	8,557,172.80	50,590.59	29,716.57	(2,099.08)	22,973.10	8,534,199.70
237	11/1/2044	8,534,199.70	50,590.59	29,636.79	(2,093.44)	23,047.24	8,511,152.46
238	12/1/2044	8,511,152.46	50,590.59	29,556.75	(2,087.79)	23,121.63	8,488,030.83
239	1/1/2045	8,488,030.83	50,590.59	29,476.46	(2,082.12)	23,196.25	8,464,834.58
240	2/1/2045	8,464,834.58	50,590.59	29,395.90	(2,076.42)	23,271.11	8,441,563.47
241	3/1/2045	8,441,563.47	50,590.59	29,315.09	(2,070.72)	23,346.22	8,418,217.25
242	4/1/2045	8,418,217.25	50,590.59	29,234.01	(2,064.99)	23,421.57	8,394,795.68
243	5/1/2045	8,394,795.68	50,590.59	29,152.68	(2,059.25)	23,497.16	8,371,298.52
244	6/1/2045	8,371,298.52	50,590.59	29,071.08	(2,053.48)	23,572.99	8,347,725.53
245	7/1/2045	8,347,725.53	50,590.59	28,989.22	(2,047.70)	23,649.07	8,324,076.46
246	8/1/2045	8,324,076.46	50,590.59	28,907.09	(2,041.90)	23,725.40	8,300,351.06
247	9/1/2045	8,300,351.06	50,590.59	28,824.70	(2,036.08)	23,801.97	8,276,549.09
248	10/1/2045	8,276,549.09	50,590.59	28,742.04	(2,030.24)	23,878.79	8,252,670.30
249	11/1/2045	8,252,670.30	50,590.59	28,659.12	(2,024.38)	23,955.85	8,228,714.45
250	12/1/2045	8,228,714.45	50,590.59	28,575.93	(2,018.51)	24,033.17	8,204,681.28
251	1/1/2046	8,204,681.28	50,590.59	28,492.47	(2,012.61)	24,110.73	8,180,570.55
252	2/1/2046	8,180,570.55	50,590.59	28,408.74	(2,006.70)	24,188.55	8,156,382.00
253	3/1/2046	8,156,382.00	50,590.59	28,324.74	(2,000.76)	24,266.61	8,132,115.39
254	4/1/2046	8,132,115.39	50,590.59	28,240.46	(1,994.80)	24,344.93	8,107,770.46
255	5/1/2046	8,107,770.46	50,590.59	28,155.92	(1,988.83)	24,423.50	8,083,346.96
256	6/1/2046	8,083,346.96	50,590.59	28,071.11	(1,982.85)	24,502.33	8,058,844.63
257	7/1/2046	8,058,844.63	50,590.59	27,986.02	(1,976.84)	24,581.41	8,034,263.22
258	8/1/2046	8,034,263.22	50,590.59	27,900.65	(1,970.80)	24,660.74	8,009,602.48
259	9/1/2046	8,009,602.48	50,590.59	27,815.01	(1,964.75)	24,740.33	7,984,862.15

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
260	10/1/2046	7,984,862.15	50,590.59	27,729.10	(1,958.69)	24,820.18	7,960,041.97
261	11/1/2046	7,960,041.97	50,590.59	27,642.90	(1,952.59)	24,900.28	7,935,141.69
262	12/1/2046	7,935,141.69	50,590.59	27,556.43	(1,946.49)	24,980.65	7,910,161.04
263	1/1/2047	7,910,161.04	50,590.59	27,469.68	(1,940.36)	25,061.27	7,885,099.77
264	2/1/2047	7,885,099.77	50,590.59	27,382.65	(1,934.21)	25,142.15	7,859,957.62
265	3/1/2047	7,859,957.62	50,590.59	27,295.34	(1,928.05)	25,223.30	7,834,734.32
266	4/1/2047	7,834,734.32	50,590.59	27,207.75	(1,921.86)	25,304.70	7,809,429.62
267	5/1/2047	7,809,429.62	50,590.59	27,119.87	(1,915.65)	25,386.37	7,784,043.25
268	6/1/2047	7,784,043.25	50,590.59	27,031.71	(1,909.42)	25,468.30	7,758,574.95
269	7/1/2047	7,758,574.95	50,590.59	26,943.27	(1,903.18)	25,550.50	7,733,024.45
270	8/1/2047	7,733,024.45	50,590.59	26,854.54	(1,896.91)	25,632.96	7,707,391.49
271	9/1/2047	7,707,391.49	50,590.59	26,765.52	(1,890.62)	25,715.69	7,681,675.80
272	10/1/2047	7,681,675.80	50,590.59	26,676.22	(1,884.32)	25,798.69	7,655,877.11
273	11/1/2047	7,655,877.11	50,590.59	26,586.63	(1,877.99)	25,881.95	7,629,995.16
274	12/1/2047	7,629,995.16	50,590.59	26,496.75	(1,871.64)	25,965.48	7,604,029.68
275	1/1/2048	7,604,029.68	50,590.59	26,406.58	(1,865.27)	26,049.28	7,577,980.40
276	2/1/2048	7,577,980.40	50,590.59	26,316.12	(1,858.88)	26,133.35	7,551,847.05
277	3/1/2048	7,551,847.05	50,590.59	26,225.36	(1,852.47)	26,217.70	7,525,629.35
278	4/1/2048	7,525,629.35	50,590.59	26,134.32	(1,846.04)	26,302.31	7,499,327.04
279	5/1/2048	7,499,327.04	50,590.59	26,042.98	(1,839.59)	26,387.20	7,472,939.84
280	6/1/2048	7,472,939.84	50,590.59	25,951.34	(1,833.11)	26,472.36	7,446,467.48
281	7/1/2048	7,446,467.48	50,590.59	25,859.41	(1,826.62)	26,557.80	7,419,909.68
282	8/1/2048	7,419,909.68	50,590.59	25,767.18	(1,820.10)	26,643.51	7,393,266.17
283	9/1/2048	7,393,266.17	50,590.59	25,674.66	(1,813.57)	26,729.50	7,366,536.67
284	10/1/2048	7,366,536.67	50,590.59	25,581.83	(1,807.01)	26,815.77	7,339,720.90
285	11/1/2048	7,339,720.90	50,590.59	25,488.71	(1,800.43)	26,902.31	7,312,818.59
286	12/1/2048	7,312,818.59	50,590.59	25,395.29	(1,793.84)	26,989.14	7,285,829.45
287	1/1/2049	7,285,829.45	50,590.59	25,301.56	(1,787.21)	27,076.24	7,258,753.21
288	2/1/2049	7,258,753.21	50,590.59	25,207.53	(1,780.57)	27,163.63	7,231,589.58
289	3/1/2049	7,231,589.58	50,590.59	25,113.20	(1,773.91)	27,251.30	7,204,338.28
290	4/1/2049	7,204,338.28	50,590.59	25,018.57	(1,767.23)	27,339.25	7,176,999.03
291	5/1/2049	7,176,999.03	50,590.59	24,923.62	(1,760.51)	27,427.48	7,149,571.55
292	6/1/2049	7,149,571.55	50,590.59	24,828.38	(1,753.79)	27,516.00	7,122,055.55
293	7/1/2049	7,122,055.55	50,590.59	24,732.82	(1,747.04)	27,604.81	7,094,450.74
294	8/1/2049	7,094,450.74	50,590.59	24,636.96	(1,740.27)	27,693.90	7,066,756.84
295	9/1/2049	7,066,756.84	50,590.59	24,540.79	(1,733.48)	27,783.28	7,038,973.56
296	10/1/2049	7,038,973.56	50,590.59	24,444.30	(1,726.66)	27,872.95	7,011,100.61
297	11/1/2049	7,011,100.61	50,590.59	24,347.51	(1,719.83)	27,962.91	6,983,137.70
298	12/1/2049	6,983,137.70	50,590.59	24,250.40	(1,712.96)	28,053.15	6,955,084.55
299	1/1/2050	6,955,084.55	50,590.59	24,152.98	(1,706.08)	28,143.69	6,926,940.86
300	2/1/2050	6,926,940.86	50,590.59	24,055.25	(1,699.18)	28,234.52	6,898,706.34
301	3/1/2050	6,898,706.34	50,590.59	23,957.19	(1,692.25)	28,325.65	6,870,380.69
302	4/1/2050	6,870,380.69	50,590.59	23,858.83	(1,685.31)	28,417.07	6,841,963.62
303	5/1/2050	6,841,963.62	50,590.59	23,760.14	(1,678.33)	28,508.78	6,813,454.84
304	6/1/2050	6,813,454.84	50,590.59	23,661.14	(1,671.34)	28,600.79	6,784,854.05
305	7/1/2050	6,784,854.05	50,590.59	23,561.82	(1,664.33)	28,693.10	6,756,160.95
306	8/1/2050	6,756,160.95	50,590.59	23,462.18	(1,657.29)	28,785.70	6,727,375.25
307	9/1/2050	6,727,375.25	50,590.59	23,362.21	(1,650.22)	28,878.60	6,698,496.65
308	10/1/2050	6,698,496.65	50,590.59	23,261.93	(1,643.15)	28,971.81	6,669,524.84
309	11/1/2050	6,669,524.84	50,590.59	23,161.31	(1,636.03)	29,065.31	6,640,459.53
310	12/1/2050	6,640,459.53	50,590.59	23,060.38	(1,628.91)	29,159.12	6,611,300.41
311	1/1/2051	6,611,300.41	50,590.59	22,959.12	(1,621.75)	29,253.22	6,582,047.19
312	2/1/2051	6,582,047.19	50,590.59	22,857.53	(1,614.58)	29,347.64	6,552,699.55
313	3/1/2051	6,552,699.55	50,590.59	22,755.61	(1,607.37)	29,442.35	6,523,257.20
314	4/1/2051	6,523,257.20	50,590.59	22,653.37	(1,600.16)	29,537.38	6,493,719.82
315	5/1/2051	6,493,719.82	50,590.59	22,550.79	(1,592.90)	29,632.70	6,464,087.12
316	6/1/2051	6,464,087.12	50,590.59	22,447.89	(1,585.64)	29,728.34	6,434,358.78
317	7/1/2051	6,434,358.78	50,590.59	22,344.65	(1,578.35)	29,824.29	6,404,534.49
318	8/1/2051	6,404,534.49	50,590.59	22,241.08	(1,571.03)	29,920.54	6,374,613.95
319	9/1/2051	6,374,613.95	50,590.59	22,137.17	(1,563.69)	30,017.11	6,344,596.84
320	10/1/2051	6,344,596.84	50,590.59	22,032.93	(1,556.33)	30,113.99	6,314,482.85
321	11/1/2051	6,314,482.85	50,590.59	21,928.36	(1,548.95)	30,211.18	6,284,271.67
322	12/1/2051	6,284,271.67	50,590.59	21,823.44	(1,541.53)	30,308.68	6,253,962.99
323	1/1/2052	6,253,962.99	50,590.59	21,718.19	(1,534.10)	30,406.50	6,223,556.49
324	2/1/2052	6,223,556.49	50,590.59	21,612.60	(1,526.64)	30,504.63	6,193,051.86
325	3/1/2052	6,193,051.86	50,590.59	21,506.66	(1,519.15)	30,603.08	6,162,448.78
326	4/1/2052	6,162,448.78	50,590.59	21,400.39	(1,511.65)	30,701.85	6,131,746.93

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
327	5/1/2052	6,131,746.93	50,590.59	21,293.77	(1,504.12)	30,800.94	6,100,945.99
328	6/1/2052	6,100,945.99	50,590.59	21,186.81	(1,496.57)	30,900.35	6,070,045.64
329	7/1/2052	6,070,045.64	50,590.59	21,079.50	(1,488.98)	31,000.07	6,039,045.57
330	8/1/2052	6,039,045.57	50,590.59	20,971.84	(1,481.37)	31,100.12	6,007,945.45
331	9/1/2052	6,007,945.45	50,590.59	20,863.84	(1,473.75)	31,200.50	5,976,744.95
332	10/1/2052	5,976,744.95	50,590.59	20,755.49	(1,466.09)	31,301.19	5,945,443.76
333	11/1/2052	5,945,443.76	50,590.59	20,646.79	(1,458.42)	31,402.22	5,914,041.54
334	12/1/2052	5,914,041.54	50,590.59	20,537.74	(1,450.71)	31,503.56	5,882,537.98
335	1/1/2053	5,882,537.98	50,590.59	20,428.34	(1,442.99)	31,605.24	5,850,932.74
336	2/1/2053	5,850,932.74	50,590.59	20,318.58	(1,435.23)	31,707.24	5,819,225.50
337	3/1/2053	5,819,225.50	50,590.59	20,208.47	(1,427.45)	31,809.57	5,787,415.93
338	4/1/2053	5,787,415.93	50,590.59	20,098.01	(1,419.66)	31,912.24	5,755,503.69
339	5/1/2053	5,755,503.69	50,590.59	19,987.19	(1,411.83)	32,015.23	5,723,488.46
340	6/1/2053	5,723,488.46	50,590.59	19,876.01	(1,403.98)	32,118.56	5,691,369.90
341	7/1/2053	5,691,369.90	50,590.59	19,764.47	(1,396.10)	32,222.22	5,659,147.68
342	8/1/2053	5,659,147.68	50,590.59	19,652.57	(1,388.19)	32,326.21	5,626,821.47
343	9/1/2053	5,626,821.47	50,590.59	19,540.31	(1,380.26)	32,430.54	5,594,390.93
344	10/1/2053	5,594,390.93	50,590.59	19,427.69	(1,372.31)	32,535.21	5,561,855.72
345	11/1/2053	5,561,855.72	50,590.59	19,314.70	(1,364.32)	32,640.21	5,529,215.51
346	12/1/2053	5,529,215.51	50,590.59	19,201.35	(1,356.31)	32,745.55	5,496,469.96
347	1/1/2054	5,496,469.96	50,590.59	19,087.64	(1,348.29)	32,851.24	5,463,618.72
348	2/1/2054	5,463,618.72	50,590.59	18,973.55	(1,340.22)	32,957.26	5,430,661.46
349	3/1/2054	5,430,661.46	50,590.59	18,859.10	(1,332.14)	33,063.63	5,397,597.83
350	4/1/2054	5,397,597.83	50,590.59	18,744.28	(1,324.03)	33,170.34	5,364,427.49
351	5/1/2054	5,364,427.49	50,590.59	18,629.09	(1,315.89)	33,277.39	5,331,150.10
352	6/1/2054	5,331,150.10	50,590.59	18,513.53	(1,307.73)	33,384.79	5,297,765.31
353	7/1/2054	5,297,765.31	50,590.59	18,397.59	(1,299.54)	33,492.54	5,264,272.77
354	8/1/2054	5,264,272.77	50,590.59	18,281.28	(1,291.32)	33,600.63	5,230,672.14
355	9/1/2054	5,230,672.14	50,590.59	18,164.60	(1,283.09)	33,709.08	5,196,963.06
356	10/1/2054	5,196,963.06	50,590.59	18,047.54	(1,274.82)	33,817.87	5,163,145.19
357	11/1/2054	5,163,145.19	50,590.59	17,930.10	(1,266.52)	33,927.01	5,129,218.18
358	12/1/2054	5,129,218.18	50,590.59	17,812.28	(1,258.20)	34,036.51	5,095,181.67
359	1/1/2055	5,095,181.67	50,590.59	17,694.08	(1,249.85)	34,146.36	5,061,035.31
360	2/1/2055	5,061,035.31	50,590.59	17,575.50	(1,241.47)	34,256.56	5,026,778.75
361	3/1/2055	5,026,778.75	50,590.59	17,456.54	(1,233.07)	34,367.12	4,992,411.63
362	4/1/2055	4,992,411.63	50,590.59	17,337.19	(1,224.64)	34,478.04	4,957,933.59
363	5/1/2055	4,957,933.59	50,590.59	17,217.46	(1,216.18)	34,589.31	4,923,344.28
364	6/1/2055	4,923,344.28	50,590.59	17,097.34	(1,207.70)	34,700.95	4,888,643.33
365	7/1/2055	4,888,643.33	50,590.59	16,976.83	(1,199.18)	34,812.94	4,853,830.39
366	8/1/2055	4,853,830.39	50,590.59	16,855.94	(1,190.65)	34,925.30	4,818,905.09
367	9/1/2055	4,818,905.09	50,590.59	16,734.65	(1,182.08)	35,038.02	4,783,867.07
368	10/1/2055	4,783,867.07	50,590.59	16,612.98	(1,173.49)	35,151.10	4,748,715.97
369	11/1/2055	4,748,715.97	50,590.59	16,490.91	(1,164.86)	35,264.54	4,713,451.43
370	12/1/2055	4,713,451.43	50,590.59	16,368.44	(1,156.21)	35,378.36	4,678,073.07
371	1/1/2056	4,678,073.07	50,590.59	16,245.58	(1,147.53)	35,492.54	4,642,580.53
372	2/1/2056	4,642,580.53	50,590.59	16,122.33	(1,138.83)	35,607.09	4,606,973.44
373	3/1/2056	4,606,973.44	50,590.59	15,998.68	(1,130.10)	35,722.01	4,571,251.43
374	4/1/2056	4,571,251.43	50,590.59	15,874.62	(1,121.33)	35,837.30	4,535,414.13
375	5/1/2056	4,535,414.13	50,590.59	15,750.17	(1,112.54)	35,952.96	4,499,461.17
376	6/1/2056	4,499,461.17	50,590.59	15,625.32	(1,103.72)	36,068.99	4,463,392.18
377	7/1/2056	4,463,392.18	50,590.59	15,500.06	(1,094.87)	36,185.40	4,427,206.78
378	8/1/2056	4,427,206.78	50,590.59	15,374.40	(1,086.00)	36,302.19	4,390,904.59
379	9/1/2056	4,390,904.59	50,590.59	15,248.33	(1,077.09)	36,419.35	4,354,485.24
380	10/1/2056	4,354,485.24	50,590.59	15,121.86	(1,068.16)	36,536.89	4,317,948.35
381	11/1/2056	4,317,948.35	50,590.59	14,994.98	(1,059.20)	36,654.81	4,281,293.54
382	12/1/2056	4,281,293.54	50,590.59	14,867.68	(1,050.20)	36,773.11	4,244,520.43
383	1/1/2057	4,244,520.43	50,590.59	14,739.98	(1,041.18)	36,891.79	4,207,628.64
384	2/1/2057	4,207,628.64	50,590.59	14,611.87	(1,032.13)	37,010.85	4,170,617.79
385	3/1/2057	4,170,617.79	50,590.59	14,483.34	(1,023.05)	37,130.30	4,133,487.49
386	4/1/2057	4,133,487.49	50,590.59	14,354.40	(1,013.95)	37,250.14	4,096,237.35
387	5/1/2057	4,096,237.35	50,590.59	14,225.04	(1,004.81)	37,370.36	4,058,866.99
388	6/1/2057	4,058,866.99	50,590.59	14,095.26	(995.64)	37,490.97	4,021,376.02
389	7/1/2057	4,021,376.02	50,590.59	13,965.07	(986.45)	37,611.97	3,983,764.05
390	8/1/2057	3,983,764.05	50,590.59	13,834.45	(977.22)	37,733.36	3,946,030.69
391	9/1/2057	3,946,030.69	50,590.59	13,703.41	(967.96)	37,855.14	3,908,175.55
392	10/1/2057	3,908,175.55	50,590.59	13,571.95	(958.67)	37,977.31	3,870,198.24
393	11/1/2057	3,870,198.24	50,590.59	13,440.07	(949.36)	38,099.88	3,832,098.36

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
394	12/1/2057	3,832,098.36	50,590.59	13,307.76	(940.01)	38,222.84	3,793,875.52
395	1/1/2058	3,793,875.52	50,590.59	13,175.02	(930.63)	38,346.20	3,755,529.32
396	2/1/2058	3,755,529.32	50,590.59	13,041.86	(921.23)	38,469.96	3,717,059.36
397	3/1/2058	3,717,059.36	50,590.59	12,908.26	(911.79)	38,594.12	3,678,465.24
398	4/1/2058	3,678,465.24	50,590.59	12,774.24	(902.33)	38,718.68	3,639,746.56
399	5/1/2058	3,639,746.56	50,590.59	12,639.78	(892.83)	38,843.64	3,600,902.92
400	6/1/2058	3,600,902.92	50,590.59	12,504.89	(883.31)	38,969.01	3,561,933.91
401	7/1/2058	3,561,933.91	50,590.59	12,369.56	(873.74)	39,094.77	3,522,839.14
402	8/1/2058	3,522,839.14	50,590.59	12,233.79	(864.15)	39,220.95	3,483,618.19
403	9/1/2058	3,483,618.19	50,590.59	12,097.59	(854.53)	39,347.53	3,444,270.66
404	10/1/2058	3,444,270.66	50,590.59	11,960.95	(844.88)	39,474.52	3,404,796.14
405	11/1/2058	3,404,796.14	50,590.59	11,823.86	(835.19)	39,601.92	3,365,194.22
406	12/1/2058	3,365,194.22	50,590.59	11,686.34	(825.48)	39,729.73	3,325,464.49
407	1/1/2059	3,325,464.49	50,590.59	11,548.37	(815.74)	39,857.96	3,285,606.53
408	2/1/2059	3,285,606.53	50,590.59	11,409.95	(805.96)	39,986.60	3,245,619.93
409	3/1/2059	3,245,619.93	50,590.59	11,271.09	(796.15)	40,115.65	3,205,504.28
410	4/1/2059	3,205,504.28	50,590.59	11,131.78	(786.31)	40,245.12	3,165,259.16
411	5/1/2059	3,165,259.16	50,590.59	10,992.02	(776.44)	40,375.01	3,124,884.15
412	6/1/2059	3,124,884.15	50,590.59	10,851.81	(766.53)	40,505.31	3,084,378.84
413	7/1/2059	3,084,378.84	50,590.59	10,711.15	(756.60)	40,636.04	3,043,742.80
414	8/1/2059	3,043,742.80	50,590.59	10,570.03	(746.63)	40,767.19	3,002,975.61
415	9/1/2059	3,002,975.61	50,590.59	10,428.46	(736.63)	40,898.76	2,962,076.85
416	10/1/2059	2,962,076.85	50,590.59	10,286.43	(726.60)	41,030.76	2,921,046.09
417	11/1/2059	2,921,046.09	50,590.59	10,143.94	(716.53)	41,163.18	2,879,882.91
418	12/1/2059	2,879,882.91	50,590.59	10,000.99	(706.43)	41,296.03	2,838,586.88
419	1/1/2060	2,838,586.88	50,590.59	9,857.58	(696.30)	41,429.31	2,797,157.57
420	2/1/2060	2,797,157.57	50,590.59	9,713.71	(686.14)	41,563.02	2,755,594.55
421	3/1/2060	2,755,594.55	50,590.59	9,569.38	(675.95)	41,697.16	2,713,897.39
422	4/1/2060	2,713,897.39	50,590.59	9,424.57	(665.71)	41,831.73	2,672,065.66
423	5/1/2060	2,672,065.66	50,590.59	9,279.30	(655.45)	41,966.64	2,630,098.92
424	6/1/2060	2,630,098.92	50,590.59	9,133.57	(645.17)	42,102.19	2,587,996.73
425	7/1/2060	2,587,996.73	50,590.59	8,987.36	(634.84)	42,238.07	2,545,758.66
426	8/1/2060	2,545,758.66	50,590.59	8,840.68	(624.48)	42,374.39	2,503,384.27
427	9/1/2060	2,503,384.27	50,590.59	8,693.52	(614.08)	42,511.15	2,460,873.12
428	10/1/2060	2,460,873.12	50,590.59	8,545.89	(603.65)	42,648.35	2,418,224.77
429	11/1/2060	2,418,224.77	50,590.59	8,397.79	(593.19)	42,785.99	2,375,438.78
430	12/1/2060	2,375,438.78	50,590.59	8,249.21	(582.70)	42,924.08	2,332,514.70
431	1/1/2061	2,332,514.70	50,590.59	8,100.14	(572.16)	43,062.61	2,289,452.09
432	2/1/2061	2,289,452.09	50,590.59	7,950.60	(561.60)	43,201.59	2,246,250.50
433	3/1/2061	2,246,250.50	50,590.59	7,800.57	(551.00)	43,341.02	2,202,909.48
434	4/1/2061	2,202,909.48	50,590.59	7,650.06	(540.37)	43,480.90	2,159,428.58
435	5/1/2061	2,159,428.58	50,590.59	7,499.07	(529.71)	43,621.23	2,115,807.35
436	6/1/2061	2,115,807.35	50,590.59	7,347.58	(519.01)	43,762.02	2,072,045.33
437	7/1/2061	2,072,045.33	50,590.59	7,195.61	(508.27)	43,903.25	2,028,142.08
438	8/1/2061	2,028,142.08	50,590.59	7,043.15	(497.51)	44,044.95	1,984,097.13
439	9/1/2061	1,984,097.13	50,590.59	6,890.19	(486.70)	44,187.10	1,939,910.03
440	10/1/2061	1,939,910.03	50,590.59	6,736.74	(475.86)	44,329.71	1,895,580.32
441	11/1/2061	1,895,580.32	50,590.59	6,582.80	(464.99)	44,472.78	1,851,107.54
442	12/1/2061	1,851,107.54	50,590.59	6,428.36	(454.08)	44,616.31	1,806,491.23
443	1/1/2062	1,806,491.23	50,590.59	6,273.42	(443.14)	44,760.31	1,761,730.92
444	2/1/2062	1,761,730.92	50,590.59	6,117.98	(432.15)	44,904.76	1,716,826.16
445	3/1/2062	1,716,826.16	50,590.59	5,962.04	(421.14)	45,049.69	1,671,776.47
446	4/1/2062	1,671,776.47	50,590.59	5,805.59	(410.08)	45,195.08	1,626,581.39
447	5/1/2062	1,626,581.39	50,590.59	5,648.64	(399.00)	45,340.95	1,581,240.44
448	6/1/2062	1,581,240.44	50,590.59	5,491.19	(387.88)	45,487.28	1,535,753.16
449	7/1/2062	1,535,753.16	50,590.59	5,333.22	(376.72)	45,634.09	1,490,119.07
450	8/1/2062	1,490,119.07	50,590.59	5,174.75	(365.53)	45,781.37	1,444,337.70
451	9/1/2062	1,444,337.70	50,590.59	5,015.76	(354.29)	45,929.12	1,398,408.58
452	10/1/2062	1,398,408.58	50,590.59	4,856.27	(343.03)	46,077.35	1,352,331.23
453	11/1/2062	1,352,331.23	50,590.59	4,696.25	(331.72)	46,226.06	1,306,105.17
454	12/1/2062	1,306,105.17	50,590.59	4,535.72	(320.39)	46,375.26	1,259,729.91
455	1/1/2063	1,259,729.91	50,590.59	4,374.67	(309.01)	46,524.93	1,213,204.98
456	2/1/2063	1,213,204.98	50,590.59	4,213.11	(297.60)	46,675.08	1,166,529.90
457	3/1/2063	1,166,529.90	50,590.59	4,051.02	(286.15)	46,825.72	1,119,704.18
458	4/1/2063	1,119,704.18	50,590.59	3,888.41	(274.67)	46,976.85	1,072,727.33
459	5/1/2063	1,072,727.33	50,590.59	3,725.27	(263.14)	47,128.46	1,025,598.87
460	6/1/2063	1,025,598.87	50,590.59	3,561.61	(251.58)	47,280.56	978,318.31

EXHIBIT A

MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest (Cost of Funds)	Interest (Admin Fees)	Principal	Ending Balance
461	7/1/2063	978,318.31	50,590.59	3,397.41	(239.98)	47,433.16	930,885.15
462	8/1/2063	930,885.15	50,590.59	3,232.69	(228.34)	47,586.24	883,298.91
463	9/1/2063	883,298.91	50,590.59	3,067.44	(216.67)	47,739.82	835,559.09
464	10/1/2063	835,559.09	50,590.59	2,901.65	(204.96)	47,893.90	787,665.19
465	11/1/2063	787,665.19	50,590.59	2,735.33	(193.21)	48,048.47	739,616.72
466	12/1/2063	739,616.72	50,590.59	2,568.47	(181.42)	48,203.54	691,413.18
467	1/1/2064	691,413.18	50,590.59	2,401.08	(169.61)	48,359.12	643,054.06
468	2/1/2064	643,054.06	50,590.59	2,233.14	(157.74)	48,515.19	594,538.87
469	3/1/2064	594,538.87	50,590.59	2,064.66	(145.84)	48,671.77	545,867.10
470	4/1/2064	545,867.10	50,590.59	1,895.64	(133.90)	48,828.85	497,038.25
471	5/1/2064	497,038.25	50,590.59	1,726.07	(121.92)	48,986.44	448,051.81
472	6/1/2064	448,051.81	50,590.59	1,555.95	(109.90)	49,144.54	398,907.27
473	7/1/2064	398,907.27	50,590.59	1,385.29	(97.85)	49,303.15	349,604.12
474	8/1/2064	349,604.12	50,590.59	1,214.07	(85.75)	49,462.27	300,141.85
475	9/1/2064	300,141.85	50,590.59	1,042.31	(73.63)	49,621.91	250,519.94
476	10/1/2064	250,519.94	50,590.59	869.98	(61.45)	49,782.06	200,737.88
477	11/1/2064	200,737.88	50,590.59	697.10	(49.24)	49,942.73	150,795.15
478	12/1/2064	150,795.15	50,590.59	523.67	(36.99)	50,103.91	100,691.24
479	1/1/2065	100,691.24	50,590.59	349.67	(24.70)	50,265.62	50,425.62
480	2/1/2065	50,425.62	50,588.36	175.11	(12.37)	50,425.62	-

SECURED PROMISSORY NOTE

PASS Series C – Deferred Loan
(Normandy Apartments)

Principal Amount: \$1,114,190.00

San Francisco, CA

Date: [Date]

FOR VALUE RECEIVED, the undersigned, **1155 Ellis GP LLC**, a California limited liability company ("**Maker**"), hereby promises to pay to the order of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, or holder (as the case may be, "**Holder**"), the principal sum of One Million One Hundred Fourteen Thousand One Hundred Ninety and No/100 Dollars (\$1,114,190.00) (the "**Series C Deferred Loan Amount**"), or so much of the Series C Deferred Loan Amount as may be disbursed from time to time pursuant to the Agreement described in Section 1 below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("**Note**") is given under the terms of a Loan Agreement by and between Maker and Holder dated as of the date of this Note, as it may be amended from time to time (the "**Agreement**"), which Agreement is incorporated herein by reference. Maker's obligations under this Note and the Agreement are secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (PASS Program) dated as of the date of this Note, made by Maker for the benefit of Holder (the "**PASS Deed of Trust**"). Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of 0.95763% per annum, from the date of the close of escrow through the date of full payment of all amounts owing under the City Documents. Interest will be compounded monthly and computed on the basis of a 360-day year consisting of 12 months of 30 days each, which will result in higher interest charges than if a 365-day year were used.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, interest will be deemed to have accrued on the outstanding principal balance of the Series C Deferred Loan at a compounded annual rate equal to the ten percent (10%), commencing on the date of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the City Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient, and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any City Document.

4. Repayment of Series C Deferred Loan. Provided that no uncured Event of Default exists under any City Document, the entire principal balance of the Series C Deferred Loan, together with all interest and unpaid fees and costs incurred (all together, the "**Payment**"), will be due and payable on the date that is the fortieth (40th) anniversary of the First Month Date as

defined in Section 6.5 (the “**Maturity Date**”). If the Maturity Date falls on a weekend or holiday, it will be deemed to fall on the next succeeding business day. Any Payments will be applied to the following in the following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid interest; and (c) reduction of the principal balance of the Series C Deferred Loan.

5. Security. Maker's obligations under this Note are secured by the PASS Deed of Trust.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Holder will have the right in its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 No prepayment of this Note shall be permitted except as otherwise set forth in this Note or in the Agreement. This Note may be prepaid on or after the tenth anniversary of the first day of the first full month following the date that the PASS Deed of Trust is recorded in the Recorder's Office of San Francisco County (the “**First Payment Date**”) as described in this Section. On or after the tenth anniversary of the First Payment Date, the Series C Deferred Loan may be prepaid, in whole but not in part, and Maker shall be required to pay a premium of: (i) 2% of the total amount being prepaid if the Series C Deferred Loan is prepaid prior to the eleventh anniversary of the First Payment Date; (ii) 1% of the total amount being prepaid if the Series C Deferred Loan is prepaid on or after the eleventh anniversary of the First Payment Date and prior to the twelfth anniversary of the First Payment Date; or (iii) no prepayment premium or penalty if the Series C Deferred Loan is prepaid on or after the twelfth anniversary of the First Payment Date. The Series C Deferred Loan may not be prepaid unless the Series A Deferred Loan, the Market Rate Loan and the BMR Loan, and, in Holder's sole discretion, the SSP Loan, are also all paid in full. Maker shall provide Holder with at least thirty (30) days' prior written notice of any intended prepayments. Maker shall be required to pay any premiums, and proportionate costs and expenses associated with the redemption of the Bonds which would result from prepayment of the Series C Deferred Loan including, but not limited to, accrued interest on the Bonds from the date of such prepayment to the date of redemption of the Bonds.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Project, including without limitation, the Series A Deferred Notes, Market Rate Notes, the BMR Notes, and the SSP Note.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the City Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the Series C Deferred Loan (along with the Series A Deferred Loan, Market Rate Loan, the BMR Loan, and the SSP Loan), together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

7.3 Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the PASS Deed of Trust, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the Series C Deferred Loan, provided, however, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the City Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover sums arising under any obligation of Maker to indemnify Holder of sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including Series C Deferred Loan funds and Rents), waste or negligent or intentional damage to the collateral for the Series C Deferred Loan.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

"MAKER"

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

SECURED PROMISSORY NOTE

PASS Series C – BMR Loan
(Normandy Apartments)

Principal Amount: \$6,806,688

San Francisco, CA

Date: [Date]

FOR VALUE RECEIVED, the undersigned, **1155 Ellis GP LLC**, a California limited partnership ("**Maker**"), hereby promises to pay to the order of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, or holder (as the case may be, "**Holder**"), the principal sum of Six Million Eight Hundred Six Thousand Six Hundred Eighty-Eight and No/100 Dollars (\$6,806,688.00) (the "**Series C BMR Loan Amount**"), or so much of the Series C BMR Loan Amount as may be disbursed from time to time pursuant to the Agreement described in Section 1 below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("**Note**") is given under the terms of a Loan Agreement by and between Maker and Holder dated as of the date of this Note, as it may be amended from time to time (the "**Agreement**"), which Agreement is incorporated herein by reference. Maker's obligations under this Note and the Agreement are secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (PASS Program) dated as of the date of this Note, made by Maker for the benefit of Holder (the "**PASS Deed of Trust**"). Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of 0.95763% per annum from the date of the close of escrow through the date of full payment of all amounts owing under the City Documents. Interest will be compounded monthly and computed on the basis of a 360-day year consisting of 12 months of 30 days each, which will result in higher interest charges than if a 365-day year were used.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, interest will be deemed to have accrued on the outstanding principal balance of the Series C BMR Loan at a compounded annual rate equal to the ten percent (10%), commencing on the date of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the City Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient, and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any City Document.

4. Repayment of Series C BMR Loan. Maker must make payments of principal and interest in monthly installments (each, a "**Payment**") equal to the amount specified by the amortization schedule attached as Exhibit A. All Payments will be applied to the following in the

following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid interest; and (c) reduction of the principal balance of the Series C BMR Loan. The unpaid principal balance of the Series C BMR Loan, together with accrued and unpaid interest and unpaid fees and costs incurred, will be due and payable on the date that is the fortieth (40th) anniversary of the First Payment Date as defined in Section 6.5 (the "**Maturity Date**"). Any Payment Date, including the Maturity Date, that falls on a weekend or holiday will be deemed to fall on the next succeeding business day.

5. Security. Maker's obligations under this Note are secured by the PASS Deed of Trust.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Holder will have the right in its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 No prepayment of this Note shall be permitted except as otherwise set forth in this Note or in the Agreement. This Note may be prepaid on or after the tenth anniversary of the first day of the first full month following the date that the PASS Deed of Trust is recorded in the Recorder's Office of San Francisco County (the "**First Payment Date**") as described in this Section. On or after the tenth anniversary of the First Payment Date, the Series C BMR Loan may be prepaid, in whole but not in part, and the Maker shall be required to pay a premium of: (i) 2% of the total amount being prepaid if the Series C BMR Loan is prepaid prior to the eleventh anniversary of the First Payment Date; (ii) 1% of the total amount being prepaid if the Series C BMR Loan is prepaid on or after the eleventh anniversary of the First Payment Date and prior to the twelfth anniversary of the First Payment Date; or (iii) no prepayment premium or penalty if the Series C BMR Loan is prepaid on or after the twelfth anniversary of the First Payment Date. The Series C BMR Loan may not be prepaid unless the Series A BMR Loan, the Deferred Loan and the Market Rate Loan, and in Holder's sole discretion, the SSP Loan, are also all paid in full. Maker shall provide Holder with at least thirty (30) days' prior written notice of any intended prepayments. Maker shall be required to pay any premiums, and proportionate costs and expenses associated with the redemption of the Bonds which would result from a prepayment of the Series C BMR Loan including, but not limited to, accrued interest on the Bonds from the date of such prepayment to the date of redemption of the Bonds.

6.6 To compensate Holder for continued monitoring of compliance with the Declaration of Restrictions and/or the Agreement after a prepayment in full of the Series C BMR Loan, Maker shall pay to the Holder \$2,500 per year for each remaining year of the Compliance Term. In connection with a prepayment of the Series C BMR Loan, in its sole discretion Holder may require Maker to prepay such annual monitoring fees through the end of the Compliance Term. In such event, the prepayment amount will be calculated as the present value of the stream of annual monitoring fee payments through the end of the Compliance Term discounted at a rate not to exceed 2%.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Project, including without limitation, the Series A BMR Note, the Market Rate Notes, the Deferred Notes, and the SSP Note.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the City Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the Series C BMR Loan (along with the Series A BMR Loan, the Market Rate Loan, the Deferred Loan, and the SSP Loan), together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

7.3 Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the PASS Deed of Trust, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the Series C BMR Loan, provided, however, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the City Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover sums arising under any obligation of Maker to indemnify Holder of sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including Series C BMR Loan funds and Rents), waste or negligent or intentional damage to the collateral for the PASS Series C BMR Loan.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

"MAKER"

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

EXHIBIT A

Amortization Schedule Attached.

EXHIBIT A

Project Name: Normandy Apartments
Sponsor: Tenderloin Neighborhood Development Corporation

Loan Amount	6,806,688.00
Rate	0.95763%
Term	40
Amortization	40
Monthly Payment	17,075.11

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
1	3/1/2025	6,806,688.00	17,075.11	5,431.91	11,643.20	6,795,044.80
2	4/1/2025	6,795,044.80	17,075.11	5,422.62	11,652.49	6,783,392.31
3	5/1/2025	6,783,392.31	17,075.11	5,413.32	11,661.79	6,771,730.52
4	6/1/2025	6,771,730.52	17,075.11	5,404.01	11,671.10	6,760,059.42
5	7/1/2025	6,760,059.42	17,075.11	5,394.70	11,680.41	6,748,379.01
6	8/1/2025	6,748,379.01	17,075.11	5,385.38	11,689.73	6,736,689.28
7	9/1/2025	6,736,689.28	17,075.11	5,376.05	11,699.06	6,724,990.22
8	10/1/2025	6,724,990.22	17,075.11	5,366.71	11,708.40	6,713,281.82
9	11/1/2025	6,713,281.82	17,075.11	5,357.37	11,717.74	6,701,564.08
10	12/1/2025	6,701,564.08	17,075.11	5,348.02	11,727.09	6,689,836.99
11	1/1/2026	6,689,836.99	17,075.11	5,338.66	11,736.45	6,678,100.54
12	2/1/2026	6,678,100.54	17,075.11	5,329.29	11,745.82	6,666,354.72
13	3/1/2026	6,666,354.72	17,075.11	5,319.92	11,755.19	6,654,599.53
14	4/1/2026	6,654,599.53	17,075.11	5,310.54	11,764.57	6,642,834.96
15	5/1/2026	6,642,834.96	17,075.11	5,301.15	11,773.96	6,631,061.00
16	6/1/2026	6,631,061.00	17,075.11	5,291.75	11,783.36	6,619,277.64
17	7/1/2026	6,619,277.64	17,075.11	5,282.35	11,792.76	6,607,484.88
18	8/1/2026	6,607,484.88	17,075.11	5,272.94	11,802.17	6,595,682.71
19	9/1/2026	6,595,682.71	17,075.11	5,263.52	11,811.59	6,583,871.12
20	10/1/2026	6,583,871.12	17,075.11	5,254.09	11,821.02	6,572,050.10
21	11/1/2026	6,572,050.10	17,075.11	5,244.66	11,830.45	6,560,219.65
22	12/1/2026	6,560,219.65	17,075.11	5,235.22	11,839.89	6,548,379.76
23	1/1/2027	6,548,379.76	17,075.11	5,225.77	11,849.34	6,536,530.42
24	2/1/2027	6,536,530.42	17,075.11	5,216.31	11,858.80	6,524,671.62
25	3/1/2027	6,524,671.62	17,075.11	5,206.85	11,868.26	6,512,803.36
26	4/1/2027	6,512,803.36	17,075.11	5,197.38	11,877.73	6,500,925.63
27	5/1/2027	6,500,925.63	17,075.11	5,187.90	11,887.21	6,489,038.42
28	6/1/2027	6,489,038.42	17,075.11	5,178.41	11,896.70	6,477,141.72
29	7/1/2027	6,477,141.72	17,075.11	5,168.92	11,906.19	6,465,235.53
30	8/1/2027	6,465,235.53	17,075.11	5,159.42	11,915.69	6,453,319.84
31	9/1/2027	6,453,319.84	17,075.11	5,149.91	11,925.20	6,441,394.64
32	10/1/2027	6,441,394.64	17,075.11	5,140.39	11,934.72	6,429,459.92
33	11/1/2027	6,429,459.92	17,075.11	5,130.87	11,944.24	6,417,515.68
34	12/1/2027	6,417,515.68	17,075.11	5,121.34	11,953.77	6,405,561.91
35	1/1/2028	6,405,561.91	17,075.11	5,111.80	11,963.31	6,393,598.60
36	2/1/2028	6,393,598.60	17,075.11	5,102.25	11,972.86	6,381,625.74
37	3/1/2028	6,381,625.74	17,075.11	5,092.70	11,982.41	6,369,643.33
38	4/1/2028	6,369,643.33	17,075.11	5,083.13	11,991.98	6,357,651.35
39	5/1/2028	6,357,651.35	17,075.11	5,073.56	12,001.55	6,345,649.80
40	6/1/2028	6,345,649.80	17,075.11	5,063.99	12,011.12	6,333,638.68
41	7/1/2028	6,333,638.68	17,075.11	5,054.40	12,020.71	6,321,617.97
42	8/1/2028	6,321,617.97	17,075.11	5,044.81	12,030.30	6,309,587.67
43	9/1/2028	6,309,587.67	17,075.11	5,035.21	12,039.90	6,297,547.77
44	10/1/2028	6,297,547.77	17,075.11	5,025.60	12,049.51	6,285,498.26
45	11/1/2028	6,285,498.26	17,075.11	5,015.98	12,059.13	6,273,439.13
46	12/1/2028	6,273,439.13	17,075.11	5,006.36	12,068.75	6,261,370.38
47	1/1/2029	6,261,370.38	17,075.11	4,996.73	12,078.38	6,249,292.00
48	2/1/2029	6,249,292.00	17,075.11	4,987.09	12,088.02	6,237,203.98
49	3/1/2029	6,237,203.98	17,075.11	4,977.44	12,097.67	6,225,106.31
50	4/1/2029	6,225,106.31	17,075.11	4,967.79	12,107.32	6,212,998.99
51	5/1/2029	6,212,998.99	17,075.11	4,958.13	12,116.98	6,200,882.01
52	6/1/2029	6,200,882.01	17,075.11	4,948.46	12,126.65	6,188,755.36
53	7/1/2029	6,188,755.36	17,075.11	4,938.78	12,136.33	6,176,619.03
54	8/1/2029	6,176,619.03	17,075.11	4,929.10	12,146.01	6,164,473.02
55	9/1/2029	6,164,473.02	17,075.11	4,919.40	12,155.71	6,152,317.31
56	10/1/2029	6,152,317.31	17,075.11	4,909.70	12,165.41	6,140,151.90

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
57	11/1/2029	6,140,151.90	17,075.11	4,899.99	12,175.12	6,127,976.78
58	12/1/2029	6,127,976.78	17,075.11	4,890.28	12,184.83	6,115,791.95
59	1/1/2030	6,115,791.95	17,075.11	4,880.55	12,194.56	6,103,597.39
60	2/1/2030	6,103,597.39	17,075.11	4,870.82	12,204.29	6,091,393.10
61	3/1/2030	6,091,393.10	17,075.11	4,861.08	12,214.03	6,079,179.07
62	4/1/2030	6,079,179.07	17,075.11	4,851.34	12,223.77	6,066,955.30
63	5/1/2030	6,066,955.30	17,075.11	4,841.58	12,233.53	6,054,721.77
64	6/1/2030	6,054,721.77	17,075.11	4,831.82	12,243.29	6,042,478.48
65	7/1/2030	6,042,478.48	17,075.11	4,822.05	12,253.06	6,030,225.42
66	8/1/2030	6,030,225.42	17,075.11	4,812.27	12,262.84	6,017,962.58
67	9/1/2030	6,017,962.58	17,075.11	4,802.48	12,272.63	6,005,689.95
68	10/1/2030	6,005,689.95	17,075.11	4,792.69	12,282.42	5,993,407.53
69	11/1/2030	5,993,407.53	17,075.11	4,782.89	12,292.22	5,981,115.31
70	12/1/2030	5,981,115.31	17,075.11	4,773.08	12,302.03	5,968,813.28
71	1/1/2031	5,968,813.28	17,075.11	4,763.26	12,311.85	5,956,501.43
72	2/1/2031	5,956,501.43	17,075.11	4,753.44	12,321.67	5,944,179.76
73	3/1/2031	5,944,179.76	17,075.11	4,743.60	12,331.51	5,931,848.25
74	4/1/2031	5,931,848.25	17,075.11	4,733.76	12,341.35	5,919,506.90
75	5/1/2031	5,919,506.90	17,075.11	4,723.91	12,351.20	5,907,155.70
76	6/1/2031	5,907,155.70	17,075.11	4,714.06	12,361.05	5,894,794.65
77	7/1/2031	5,894,794.65	17,075.11	4,704.19	12,370.92	5,882,423.73
78	8/1/2031	5,882,423.73	17,075.11	4,694.32	12,380.79	5,870,042.94
79	9/1/2031	5,870,042.94	17,075.11	4,684.44	12,390.67	5,857,652.27
80	10/1/2031	5,857,652.27	17,075.11	4,674.55	12,400.56	5,845,251.71
81	11/1/2031	5,845,251.71	17,075.11	4,664.66	12,410.45	5,832,841.26
82	12/1/2031	5,832,841.26	17,075.11	4,654.75	12,420.36	5,820,420.90
83	1/1/2032	5,820,420.90	17,075.11	4,644.84	12,430.27	5,807,990.63
84	2/1/2032	5,807,990.63	17,075.11	4,634.92	12,440.19	5,795,550.44
85	3/1/2032	5,795,550.44	17,075.11	4,624.99	12,450.12	5,783,100.32
86	4/1/2032	5,783,100.32	17,075.11	4,615.06	12,460.05	5,770,640.27
87	5/1/2032	5,770,640.27	17,075.11	4,605.12	12,469.99	5,758,170.28
88	6/1/2032	5,758,170.28	17,075.11	4,595.16	12,479.95	5,745,690.33
89	7/1/2032	5,745,690.33	17,075.11	4,585.20	12,489.91	5,733,200.42
90	8/1/2032	5,733,200.42	17,075.11	4,575.24	12,499.87	5,720,700.55
91	9/1/2032	5,720,700.55	17,075.11	4,565.26	12,509.85	5,708,190.70
92	10/1/2032	5,708,190.70	17,075.11	4,555.28	12,519.83	5,695,670.87
93	11/1/2032	5,695,670.87	17,075.11	4,545.29	12,529.82	5,683,141.05
94	12/1/2032	5,683,141.05	17,075.11	4,535.29	12,539.82	5,670,601.23
95	1/1/2033	5,670,601.23	17,075.11	4,525.28	12,549.83	5,658,051.40
96	2/1/2033	5,658,051.40	17,075.11	4,515.27	12,559.84	5,645,491.56
97	3/1/2033	5,645,491.56	17,075.11	4,505.24	12,569.87	5,632,921.69
98	4/1/2033	5,632,921.69	17,075.11	4,495.21	12,579.90	5,620,341.79
99	5/1/2033	5,620,341.79	17,075.11	4,485.17	12,589.94	5,607,751.85
100	6/1/2033	5,607,751.85	17,075.11	4,475.13	12,599.98	5,595,151.87
101	7/1/2033	5,595,151.87	17,075.11	4,465.07	12,610.04	5,582,541.83
102	8/1/2033	5,582,541.83	17,075.11	4,455.01	12,620.10	5,569,921.73
103	9/1/2033	5,569,921.73	17,075.11	4,444.94	12,630.17	5,557,291.56
104	10/1/2033	5,557,291.56	17,075.11	4,434.86	12,640.25	5,544,651.31
105	11/1/2033	5,544,651.31	17,075.11	4,424.77	12,650.34	5,532,000.97
106	12/1/2033	5,532,000.97	17,075.11	4,414.68	12,660.43	5,519,340.54
107	1/1/2034	5,519,340.54	17,075.11	4,404.57	12,670.54	5,506,670.00
108	2/1/2034	5,506,670.00	17,075.11	4,394.46	12,680.65	5,493,989.35
109	3/1/2034	5,493,989.35	17,075.11	4,384.34	12,690.77	5,481,298.58
110	4/1/2034	5,481,298.58	17,075.11	4,374.21	12,700.90	5,468,597.68
111	5/1/2034	5,468,597.68	17,075.11	4,364.08	12,711.03	5,455,886.65
112	6/1/2034	5,455,886.65	17,075.11	4,353.93	12,721.18	5,443,165.47
113	7/1/2034	5,443,165.47	17,075.11	4,343.78	12,731.33	5,430,434.14
114	8/1/2034	5,430,434.14	17,075.11	4,333.62	12,741.49	5,417,692.65
115	9/1/2034	5,417,692.65	17,075.11	4,323.45	12,751.66	5,404,940.99
116	10/1/2034	5,404,940.99	17,075.11	4,313.28	12,761.83	5,392,179.16
117	11/1/2034	5,392,179.16	17,075.11	4,303.09	12,772.02	5,379,407.14
118	12/1/2034	5,379,407.14	17,075.11	4,292.90	12,782.21	5,366,624.93
119	1/1/2035	5,366,624.93	17,075.11	4,282.70	12,792.41	5,353,832.52
120	2/1/2035	5,353,832.52	17,075.11	4,272.49	12,802.62	5,341,029.90
121	3/1/2035	5,341,029.90	17,075.11	4,262.28	12,812.83	5,328,217.07

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
122	4/1/2035	5,328,217.07	17,075.11	4,252.05	12,823.06	5,315,394.01
123	5/1/2035	5,315,394.01	17,075.11	4,241.82	12,833.29	5,302,560.72
124	6/1/2035	5,302,560.72	17,075.11	4,231.58	12,843.53	5,289,717.19
125	7/1/2035	5,289,717.19	17,075.11	4,221.33	12,853.78	5,276,863.41
126	8/1/2035	5,276,863.41	17,075.11	4,211.07	12,864.04	5,263,999.37
127	9/1/2035	5,263,999.37	17,075.11	4,200.80	12,874.31	5,251,125.06
128	10/1/2035	5,251,125.06	17,075.11	4,190.53	12,884.58	5,238,240.48
129	11/1/2035	5,238,240.48	17,075.11	4,180.25	12,894.86	5,225,345.62
130	12/1/2035	5,225,345.62	17,075.11	4,169.96	12,905.15	5,212,440.47
131	1/1/2036	5,212,440.47	17,075.11	4,159.66	12,915.45	5,199,525.02
132	2/1/2036	5,199,525.02	17,075.11	4,149.35	12,925.76	5,186,599.26
133	3/1/2036	5,186,599.26	17,075.11	4,139.04	12,936.07	5,173,663.19
134	4/1/2036	5,173,663.19	17,075.11	4,128.71	12,946.40	5,160,716.79
135	5/1/2036	5,160,716.79	17,075.11	4,118.38	12,956.73	5,147,760.06
136	6/1/2036	5,147,760.06	17,075.11	4,108.04	12,967.07	5,134,792.99
137	7/1/2036	5,134,792.99	17,075.11	4,097.69	12,977.42	5,121,815.57
138	8/1/2036	5,121,815.57	17,075.11	4,087.34	12,987.77	5,108,827.80
139	9/1/2036	5,108,827.80	17,075.11	4,076.97	12,998.14	5,095,829.66
140	10/1/2036	5,095,829.66	17,075.11	4,066.60	13,008.51	5,082,821.15
141	11/1/2036	5,082,821.15	17,075.11	4,056.22	13,018.89	5,069,802.26
142	12/1/2036	5,069,802.26	17,075.11	4,045.83	13,029.28	5,056,772.98
143	1/1/2037	5,056,772.98	17,075.11	4,035.43	13,039.68	5,043,733.30
144	2/1/2037	5,043,733.30	17,075.11	4,025.03	13,050.08	5,030,683.22
145	3/1/2037	5,030,683.22	17,075.11	4,014.61	13,060.50	5,017,622.72
146	4/1/2037	5,017,622.72	17,075.11	4,004.19	13,070.92	5,004,551.80
147	5/1/2037	5,004,551.80	17,075.11	3,993.76	13,081.35	4,991,470.45
148	6/1/2037	4,991,470.45	17,075.11	3,983.32	13,091.79	4,978,378.66
149	7/1/2037	4,978,378.66	17,075.11	3,972.87	13,102.24	4,965,276.42
150	8/1/2037	4,965,276.42	17,075.11	3,962.41	13,112.70	4,952,163.72
151	9/1/2037	4,952,163.72	17,075.11	3,951.95	13,123.16	4,939,040.56
152	10/1/2037	4,939,040.56	17,075.11	3,941.48	13,133.63	4,925,906.93
153	11/1/2037	4,925,906.93	17,075.11	3,931.00	13,144.11	4,912,762.82
154	12/1/2037	4,912,762.82	17,075.11	3,920.51	13,154.60	4,899,608.22
155	1/1/2038	4,899,608.22	17,075.11	3,910.01	13,165.10	4,886,443.12
156	2/1/2038	4,886,443.12	17,075.11	3,899.50	13,175.61	4,873,267.51
157	3/1/2038	4,873,267.51	17,075.11	3,888.99	13,186.12	4,860,081.39
158	4/1/2038	4,860,081.39	17,075.11	3,878.47	13,196.64	4,846,884.75
159	5/1/2038	4,846,884.75	17,075.11	3,867.94	13,207.17	4,833,677.58
160	6/1/2038	4,833,677.58	17,075.11	3,857.40	13,217.71	4,820,459.87
161	7/1/2038	4,820,459.87	17,075.11	3,846.85	13,228.26	4,807,231.61
162	8/1/2038	4,807,231.61	17,075.11	3,836.29	13,238.82	4,793,992.79
163	9/1/2038	4,793,992.79	17,075.11	3,825.73	13,249.38	4,780,743.41
164	10/1/2038	4,780,743.41	17,075.11	3,815.15	13,259.96	4,767,483.45
165	11/1/2038	4,767,483.45	17,075.11	3,804.57	13,270.54	4,754,212.91
166	12/1/2038	4,754,212.91	17,075.11	3,793.98	13,281.13	4,740,931.78
167	1/1/2039	4,740,931.78	17,075.11	3,783.38	13,291.73	4,727,640.05
168	2/1/2039	4,727,640.05	17,075.11	3,772.77	13,302.34	4,714,337.71
169	3/1/2039	4,714,337.71	17,075.11	3,762.16	13,312.95	4,701,024.76
170	4/1/2039	4,701,024.76	17,075.11	3,751.54	13,323.57	4,687,701.19
171	5/1/2039	4,687,701.19	17,075.11	3,740.90	13,334.21	4,674,366.98
172	6/1/2039	4,674,366.98	17,075.11	3,730.26	13,344.85	4,661,022.13
173	7/1/2039	4,661,022.13	17,075.11	3,719.61	13,355.50	4,647,666.63
174	8/1/2039	4,647,666.63	17,075.11	3,708.95	13,366.16	4,634,300.47
175	9/1/2039	4,634,300.47	17,075.11	3,698.29	13,376.82	4,620,923.65
176	10/1/2039	4,620,923.65	17,075.11	3,687.61	13,387.50	4,607,536.15
177	11/1/2039	4,607,536.15	17,075.11	3,676.93	13,398.18	4,594,137.97
178	12/1/2039	4,594,137.97	17,075.11	3,666.24	13,408.87	4,580,729.10
179	1/1/2040	4,580,729.10	17,075.11	3,655.54	13,419.57	4,567,309.53
180	2/1/2040	4,567,309.53	17,075.11	3,644.83	13,430.28	4,553,879.25
181	3/1/2040	4,553,879.25	17,075.11	3,634.11	13,441.00	4,540,438.25
182	4/1/2040	4,540,438.25	17,075.11	3,623.38	13,451.73	4,526,986.52
183	5/1/2040	4,526,986.52	17,075.11	3,612.65	13,462.46	4,513,524.06
184	6/1/2040	4,513,524.06	17,075.11	3,601.91	13,473.20	4,500,050.86
185	7/1/2040	4,500,050.86	17,075.11	3,591.15	13,483.96	4,486,566.90
186	8/1/2040	4,486,566.90	17,075.11	3,580.39	13,494.72	4,473,072.18

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
187	9/1/2040	4,473,072.18	17,075.11	3,569.62	13,505.49	4,459,566.69
188	10/1/2040	4,459,566.69	17,075.11	3,558.85	13,516.26	4,446,050.43
189	11/1/2040	4,446,050.43	17,075.11	3,548.06	13,527.05	4,432,523.38
190	12/1/2040	4,432,523.38	17,075.11	3,537.26	13,537.85	4,418,985.53
191	1/1/2041	4,418,985.53	17,075.11	3,526.46	13,548.65	4,405,436.88
192	2/1/2041	4,405,436.88	17,075.11	3,515.65	13,559.46	4,391,877.42
193	3/1/2041	4,391,877.42	17,075.11	3,504.83	13,570.28	4,378,307.14
194	4/1/2041	4,378,307.14	17,075.11	3,494.00	13,581.11	4,364,726.03
195	5/1/2041	4,364,726.03	17,075.11	3,483.16	13,591.95	4,351,134.08
196	6/1/2041	4,351,134.08	17,075.11	3,472.31	13,602.80	4,337,531.28
197	7/1/2041	4,337,531.28	17,075.11	3,461.46	13,613.65	4,323,917.63
198	8/1/2041	4,323,917.63	17,075.11	3,450.59	13,624.52	4,310,293.11
199	9/1/2041	4,310,293.11	17,075.11	3,439.72	13,635.39	4,296,657.72
200	10/1/2041	4,296,657.72	17,075.11	3,428.84	13,646.27	4,283,011.45
201	11/1/2041	4,283,011.45	17,075.11	3,417.95	13,657.16	4,269,354.29
202	12/1/2041	4,269,354.29	17,075.11	3,407.05	13,668.06	4,255,686.23
203	1/1/2042	4,255,686.23	17,075.11	3,396.14	13,678.97	4,242,007.26
204	2/1/2042	4,242,007.26	17,075.11	3,385.23	13,689.88	4,228,317.38
205	3/1/2042	4,228,317.38	17,075.11	3,374.30	13,700.81	4,214,616.57
206	4/1/2042	4,214,616.57	17,075.11	3,363.37	13,711.74	4,200,904.83
207	5/1/2042	4,200,904.83	17,075.11	3,352.43	13,722.68	4,187,182.15
208	6/1/2042	4,187,182.15	17,075.11	3,341.48	13,733.63	4,173,448.52
209	7/1/2042	4,173,448.52	17,075.11	3,330.52	13,744.59	4,159,703.93
210	8/1/2042	4,159,703.93	17,075.11	3,319.55	13,755.56	4,145,948.37
211	9/1/2042	4,145,948.37	17,075.11	3,308.57	13,766.54	4,132,181.83
212	10/1/2042	4,132,181.83	17,075.11	3,297.58	13,777.53	4,118,404.30
213	11/1/2042	4,118,404.30	17,075.11	3,286.59	13,788.52	4,104,615.78
214	12/1/2042	4,104,615.78	17,075.11	3,275.59	13,799.52	4,090,816.26
215	1/1/2043	4,090,816.26	17,075.11	3,264.57	13,810.54	4,077,005.72
216	2/1/2043	4,077,005.72	17,075.11	3,253.55	13,821.56	4,063,184.16
217	3/1/2043	4,063,184.16	17,075.11	3,242.52	13,832.59	4,049,351.57
218	4/1/2043	4,049,351.57	17,075.11	3,231.48	13,843.63	4,035,507.94
219	5/1/2043	4,035,507.94	17,075.11	3,220.44	13,854.67	4,021,653.27
220	6/1/2043	4,021,653.27	17,075.11	3,209.38	13,865.73	4,007,787.54
221	7/1/2043	4,007,787.54	17,075.11	3,198.31	13,876.80	3,993,910.74
222	8/1/2043	3,993,910.74	17,075.11	3,187.24	13,887.87	3,980,022.87
223	9/1/2043	3,980,022.87	17,075.11	3,176.16	13,898.95	3,966,123.92
224	10/1/2043	3,966,123.92	17,075.11	3,165.07	13,910.04	3,952,213.88
225	11/1/2043	3,952,213.88	17,075.11	3,153.97	13,921.14	3,938,292.74
226	12/1/2043	3,938,292.74	17,075.11	3,142.86	13,932.25	3,924,360.49
227	1/1/2044	3,924,360.49	17,075.11	3,131.74	13,943.37	3,910,417.12
228	2/1/2044	3,910,417.12	17,075.11	3,120.61	13,954.50	3,896,462.62
229	3/1/2044	3,896,462.62	17,075.11	3,109.47	13,965.64	3,882,496.98
230	4/1/2044	3,882,496.98	17,075.11	3,098.33	13,976.78	3,868,520.20
231	5/1/2044	3,868,520.20	17,075.11	3,087.18	13,987.93	3,854,532.27
232	6/1/2044	3,854,532.27	17,075.11	3,076.01	13,999.10	3,840,533.17
233	7/1/2044	3,840,533.17	17,075.11	3,064.84	14,010.27	3,826,522.90
234	8/1/2044	3,826,522.90	17,075.11	3,053.66	14,021.45	3,812,501.45
235	9/1/2044	3,812,501.45	17,075.11	3,042.47	14,032.64	3,798,468.81
236	10/1/2044	3,798,468.81	17,075.11	3,031.27	14,043.84	3,784,424.97
237	11/1/2044	3,784,424.97	17,075.11	3,020.07	14,055.04	3,770,369.93
238	12/1/2044	3,770,369.93	17,075.11	3,008.85	14,066.26	3,756,303.67
239	1/1/2045	3,756,303.67	17,075.11	2,997.62	14,077.49	3,742,226.18
240	2/1/2045	3,742,226.18	17,075.11	2,986.39	14,088.72	3,728,137.46
241	3/1/2045	3,728,137.46	17,075.11	2,975.15	14,099.96	3,714,037.50
242	4/1/2045	3,714,037.50	17,075.11	2,963.89	14,111.22	3,699,926.28
243	5/1/2045	3,699,926.28	17,075.11	2,952.63	14,122.48	3,685,803.80
244	6/1/2045	3,685,803.80	17,075.11	2,941.36	14,133.75	3,671,670.05
245	7/1/2045	3,671,670.05	17,075.11	2,930.08	14,145.03	3,657,525.02
246	8/1/2045	3,657,525.02	17,075.11	2,918.80	14,156.31	3,643,368.71
247	9/1/2045	3,643,368.71	17,075.11	2,907.50	14,167.61	3,629,201.10
248	10/1/2045	3,629,201.10	17,075.11	2,896.19	14,178.92	3,615,022.18
249	11/1/2045	3,615,022.18	17,075.11	2,884.88	14,190.23	3,600,831.95
250	12/1/2045	3,600,831.95	17,075.11	2,873.55	14,201.56	3,586,630.39
251	1/1/2046	3,586,630.39	17,075.11	2,862.22	14,212.89	3,572,417.50

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
252	2/1/2046	3,572,417.50	17,075.11	2,850.88	14,224.23	3,558,193.27
253	3/1/2046	3,558,193.27	17,075.11	2,839.53	14,235.58	3,543,957.69
254	4/1/2046	3,543,957.69	17,075.11	2,828.17	14,246.94	3,529,710.75
255	5/1/2046	3,529,710.75	17,075.11	2,816.80	14,258.31	3,515,452.44
256	6/1/2046	3,515,452.44	17,075.11	2,805.42	14,269.69	3,501,182.75
257	7/1/2046	3,501,182.75	17,075.11	2,794.03	14,281.08	3,486,901.67
258	8/1/2046	3,486,901.67	17,075.11	2,782.63	14,292.48	3,472,609.19
259	9/1/2046	3,472,609.19	17,075.11	2,771.23	14,303.88	3,458,305.31
260	10/1/2046	3,458,305.31	17,075.11	2,759.81	14,315.30	3,443,990.01
261	11/1/2046	3,443,990.01	17,075.11	2,748.39	14,326.72	3,429,663.29
262	12/1/2046	3,429,663.29	17,075.11	2,736.96	14,338.15	3,415,325.14
263	1/1/2047	3,415,325.14	17,075.11	2,725.51	14,349.60	3,400,975.54
264	2/1/2047	3,400,975.54	17,075.11	2,714.06	14,361.05	3,386,614.49
265	3/1/2047	3,386,614.49	17,075.11	2,702.60	14,372.51	3,372,241.98
266	4/1/2047	3,372,241.98	17,075.11	2,691.13	14,383.98	3,357,858.00
267	5/1/2047	3,357,858.00	17,075.11	2,679.65	14,395.46	3,343,462.54
268	6/1/2047	3,343,462.54	17,075.11	2,668.17	14,406.94	3,329,055.60
269	7/1/2047	3,329,055.60	17,075.11	2,656.67	14,418.44	3,314,637.16
270	8/1/2047	3,314,637.16	17,075.11	2,645.16	14,429.95	3,300,207.21
271	9/1/2047	3,300,207.21	17,075.11	2,633.65	14,441.46	3,285,765.75
272	10/1/2047	3,285,765.75	17,075.11	2,622.12	14,452.99	3,271,312.76
273	11/1/2047	3,271,312.76	17,075.11	2,610.59	14,464.52	3,256,848.24
274	12/1/2047	3,256,848.24	17,075.11	2,599.05	14,476.06	3,242,372.18
275	1/1/2048	3,242,372.18	17,075.11	2,587.49	14,487.62	3,227,884.56
276	2/1/2048	3,227,884.56	17,075.11	2,575.93	14,499.18	3,213,385.38
277	3/1/2048	3,213,385.38	17,075.11	2,564.36	14,510.75	3,198,874.63
278	4/1/2048	3,198,874.63	17,075.11	2,552.78	14,522.33	3,184,352.30
279	5/1/2048	3,184,352.30	17,075.11	2,541.19	14,533.92	3,169,818.38
280	6/1/2048	3,169,818.38	17,075.11	2,529.59	14,545.52	3,155,272.86
281	7/1/2048	3,155,272.86	17,075.11	2,517.99	14,557.12	3,140,715.74
282	8/1/2048	3,140,715.74	17,075.11	2,506.37	14,568.74	3,126,147.00
283	9/1/2048	3,126,147.00	17,075.11	2,494.74	14,580.37	3,111,566.63
284	10/1/2048	3,111,566.63	17,075.11	2,483.11	14,592.00	3,096,974.63
285	11/1/2048	3,096,974.63	17,075.11	2,471.46	14,603.65	3,082,370.98
286	12/1/2048	3,082,370.98	17,075.11	2,459.81	14,615.30	3,067,755.68
287	1/1/2049	3,067,755.68	17,075.11	2,448.15	14,626.96	3,053,128.72
288	2/1/2049	3,053,128.72	17,075.11	2,436.47	14,638.64	3,038,490.08
289	3/1/2049	3,038,490.08	17,075.11	2,424.79	14,650.32	3,023,839.76
290	4/1/2049	3,023,839.76	17,075.11	2,413.10	14,662.01	3,009,177.75
291	5/1/2049	3,009,177.75	17,075.11	2,401.40	14,673.71	2,994,504.04
292	6/1/2049	2,994,504.04	17,075.11	2,389.69	14,685.42	2,979,818.62
293	7/1/2049	2,979,818.62	17,075.11	2,377.97	14,697.14	2,965,121.48
294	8/1/2049	2,965,121.48	17,075.11	2,366.24	14,708.87	2,950,412.61
295	9/1/2049	2,950,412.61	17,075.11	2,354.50	14,720.61	2,935,692.00
296	10/1/2049	2,935,692.00	17,075.11	2,342.76	14,732.35	2,920,959.65
297	11/1/2049	2,920,959.65	17,075.11	2,331.00	14,744.11	2,906,215.54
298	12/1/2049	2,906,215.54	17,075.11	2,319.23	14,755.88	2,891,459.66
299	1/1/2050	2,891,459.66	17,075.11	2,307.46	14,767.65	2,876,692.01
300	2/1/2050	2,876,692.01	17,075.11	2,295.67	14,779.44	2,861,912.57
301	3/1/2050	2,861,912.57	17,075.11	2,283.88	14,791.23	2,847,121.34
302	4/1/2050	2,847,121.34	17,075.11	2,272.07	14,803.04	2,832,318.30
303	5/1/2050	2,832,318.30	17,075.11	2,260.26	14,814.85	2,817,503.45
304	6/1/2050	2,817,503.45	17,075.11	2,248.44	14,826.67	2,802,676.78
305	7/1/2050	2,802,676.78	17,075.11	2,236.61	14,838.50	2,787,838.28
306	8/1/2050	2,787,838.28	17,075.11	2,224.76	14,850.35	2,772,987.93
307	9/1/2050	2,772,987.93	17,075.11	2,212.91	14,862.20	2,758,125.73
308	10/1/2050	2,758,125.73	17,075.11	2,201.05	14,874.06	2,743,251.67
309	11/1/2050	2,743,251.67	17,075.11	2,189.18	14,885.93	2,728,365.74
310	12/1/2050	2,728,365.74	17,075.11	2,177.30	14,897.81	2,713,467.93
311	1/1/2051	2,713,467.93	17,075.11	2,165.42	14,909.69	2,698,558.24
312	2/1/2051	2,698,558.24	17,075.11	2,153.52	14,921.59	2,683,636.65
313	3/1/2051	2,683,636.65	17,075.11	2,141.61	14,933.50	2,668,703.15
314	4/1/2051	2,668,703.15	17,075.11	2,129.69	14,945.42	2,653,757.73
315	5/1/2051	2,653,757.73	17,075.11	2,117.77	14,957.34	2,638,800.39
316	6/1/2051	2,638,800.39	17,075.11	2,105.83	14,969.28	2,623,831.11

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
317	7/1/2051	2,623,831.11	17,075.11	2,093.88	14,981.23	2,608,849.88
318	8/1/2051	2,608,849.88	17,075.11	2,081.93	14,993.18	2,593,856.70
319	9/1/2051	2,593,856.70	17,075.11	2,069.96	15,005.15	2,578,851.55
320	10/1/2051	2,578,851.55	17,075.11	2,057.99	15,017.12	2,563,834.43
321	11/1/2051	2,563,834.43	17,075.11	2,046.00	15,029.11	2,548,805.32
322	12/1/2051	2,548,805.32	17,075.11	2,034.01	15,041.10	2,533,764.22
323	1/1/2052	2,533,764.22	17,075.11	2,022.01	15,053.10	2,518,711.12
324	2/1/2052	2,518,711.12	17,075.11	2,009.99	15,065.12	2,503,646.00
325	3/1/2052	2,503,646.00	17,075.11	1,997.97	15,077.14	2,488,568.86
326	4/1/2052	2,488,568.86	17,075.11	1,985.94	15,089.17	2,473,479.69
327	5/1/2052	2,473,479.69	17,075.11	1,973.90	15,101.21	2,458,378.48
328	6/1/2052	2,458,378.48	17,075.11	1,961.85	15,113.26	2,443,265.22
329	7/1/2052	2,443,265.22	17,075.11	1,949.79	15,125.32	2,428,139.90
330	8/1/2052	2,428,139.90	17,075.11	1,937.72	15,137.39	2,413,002.51
331	9/1/2052	2,413,002.51	17,075.11	1,925.64	15,149.47	2,397,853.04
332	10/1/2052	2,397,853.04	17,075.11	1,913.55	15,161.56	2,382,691.48
333	11/1/2052	2,382,691.48	17,075.11	1,901.45	15,173.66	2,367,517.82
334	12/1/2052	2,367,517.82	17,075.11	1,889.34	15,185.77	2,352,332.05
335	1/1/2053	2,352,332.05	17,075.11	1,877.22	15,197.89	2,337,134.16
336	2/1/2053	2,337,134.16	17,075.11	1,865.09	15,210.02	2,321,924.14
337	3/1/2053	2,321,924.14	17,075.11	1,852.95	15,222.16	2,306,701.98
338	4/1/2053	2,306,701.98	17,075.11	1,840.81	15,234.30	2,291,467.68
339	5/1/2053	2,291,467.68	17,075.11	1,828.65	15,246.46	2,276,221.22
340	6/1/2053	2,276,221.22	17,075.11	1,816.48	15,258.63	2,260,962.59
341	7/1/2053	2,260,962.59	17,075.11	1,804.30	15,270.81	2,245,691.78
342	8/1/2053	2,245,691.78	17,075.11	1,792.12	15,282.99	2,230,408.79
343	9/1/2053	2,230,408.79	17,075.11	1,779.92	15,295.19	2,215,113.60
344	10/1/2053	2,215,113.60	17,075.11	1,767.72	15,307.39	2,199,806.21
345	11/1/2053	2,199,806.21	17,075.11	1,755.50	15,319.61	2,184,486.60
346	12/1/2053	2,184,486.60	17,075.11	1,743.27	15,331.84	2,169,154.76
347	1/1/2054	2,169,154.76	17,075.11	1,731.04	15,344.07	2,153,810.69
348	2/1/2054	2,153,810.69	17,075.11	1,718.79	15,356.32	2,138,454.37
349	3/1/2054	2,138,454.37	17,075.11	1,706.54	15,368.57	2,123,085.80
350	4/1/2054	2,123,085.80	17,075.11	1,694.28	15,380.83	2,107,704.97
351	5/1/2054	2,107,704.97	17,075.11	1,682.00	15,393.11	2,092,311.86
352	6/1/2054	2,092,311.86	17,075.11	1,669.72	15,405.39	2,076,906.47
353	7/1/2054	2,076,906.47	17,075.11	1,657.42	15,417.69	2,061,488.78
354	8/1/2054	2,061,488.78	17,075.11	1,645.12	15,429.99	2,046,058.79
355	9/1/2054	2,046,058.79	17,075.11	1,632.81	15,442.30	2,030,616.49
356	10/1/2054	2,030,616.49	17,075.11	1,620.48	15,454.63	2,015,161.86
357	11/1/2054	2,015,161.86	17,075.11	1,608.15	15,466.96	1,999,694.90
358	12/1/2054	1,999,694.90	17,075.11	1,595.81	15,479.30	1,984,215.60
359	1/1/2055	1,984,215.60	17,075.11	1,583.45	15,491.66	1,968,723.94
360	2/1/2055	1,968,723.94	17,075.11	1,571.09	15,504.02	1,953,219.92
361	3/1/2055	1,953,219.92	17,075.11	1,558.72	15,516.39	1,937,703.53
362	4/1/2055	1,937,703.53	17,075.11	1,546.34	15,528.77	1,922,174.76
363	5/1/2055	1,922,174.76	17,075.11	1,533.94	15,541.17	1,906,633.59
364	6/1/2055	1,906,633.59	17,075.11	1,521.54	15,553.57	1,891,080.02
365	7/1/2055	1,891,080.02	17,075.11	1,509.13	15,565.98	1,875,514.04
366	8/1/2055	1,875,514.04	17,075.11	1,496.71	15,578.40	1,859,935.64
367	9/1/2055	1,859,935.64	17,075.11	1,484.28	15,590.83	1,844,344.81
368	10/1/2055	1,844,344.81	17,075.11	1,471.83	15,603.28	1,828,741.53
369	11/1/2055	1,828,741.53	17,075.11	1,459.38	15,615.73	1,813,125.80
370	12/1/2055	1,813,125.80	17,075.11	1,446.92	15,628.19	1,797,497.61
371	1/1/2056	1,797,497.61	17,075.11	1,434.45	15,640.66	1,781,856.95
372	2/1/2056	1,781,856.95	17,075.11	1,421.97	15,653.14	1,766,203.81
373	3/1/2056	1,766,203.81	17,075.11	1,409.47	15,665.64	1,750,538.17
374	4/1/2056	1,750,538.17	17,075.11	1,396.97	15,678.14	1,734,860.03
375	5/1/2056	1,734,860.03	17,075.11	1,384.46	15,690.65	1,719,169.38
376	6/1/2056	1,719,169.38	17,075.11	1,371.94	15,703.17	1,703,466.21
377	7/1/2056	1,703,466.21	17,075.11	1,359.41	15,715.70	1,687,750.51
378	8/1/2056	1,687,750.51	17,075.11	1,346.87	15,728.24	1,672,022.27
379	9/1/2056	1,672,022.27	17,075.11	1,334.32	15,740.79	1,656,281.48
380	10/1/2056	1,656,281.48	17,075.11	1,321.75	15,753.36	1,640,528.12
381	11/1/2056	1,640,528.12	17,075.11	1,309.18	15,765.93	1,624,762.19

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
382	12/1/2056	1,624,762.19	17,075.11	1,296.60	15,778.51	1,608,983.68
383	1/1/2057	1,608,983.68	17,075.11	1,284.01	15,791.10	1,593,192.58
384	2/1/2057	1,593,192.58	17,075.11	1,271.41	15,803.70	1,577,388.88
385	3/1/2057	1,577,388.88	17,075.11	1,258.80	15,816.31	1,561,572.57
386	4/1/2057	1,561,572.57	17,075.11	1,246.17	15,828.94	1,545,743.63
387	5/1/2057	1,545,743.63	17,075.11	1,233.54	15,841.57	1,529,902.06
388	6/1/2057	1,529,902.06	17,075.11	1,220.90	15,854.21	1,514,047.85
389	7/1/2057	1,514,047.85	17,075.11	1,208.25	15,866.86	1,498,180.99
390	8/1/2057	1,498,180.99	17,075.11	1,195.59	15,879.52	1,482,301.47
391	9/1/2057	1,482,301.47	17,075.11	1,182.91	15,892.20	1,466,409.27
392	10/1/2057	1,466,409.27	17,075.11	1,170.23	15,904.88	1,450,504.39
393	11/1/2057	1,450,504.39	17,075.11	1,157.54	15,917.57	1,434,586.82
394	12/1/2057	1,434,586.82	17,075.11	1,144.84	15,930.27	1,418,656.55
395	1/1/2058	1,418,656.55	17,075.11	1,132.12	15,942.99	1,402,713.56
396	2/1/2058	1,402,713.56	17,075.11	1,119.40	15,955.71	1,386,757.85
397	3/1/2058	1,386,757.85	17,075.11	1,106.67	15,968.44	1,370,789.41
398	4/1/2058	1,370,789.41	17,075.11	1,093.92	15,981.19	1,354,808.22
399	5/1/2058	1,354,808.22	17,075.11	1,081.17	15,993.94	1,338,814.28
400	6/1/2058	1,338,814.28	17,075.11	1,068.41	16,006.70	1,322,807.58
401	7/1/2058	1,322,807.58	17,075.11	1,055.63	16,019.48	1,306,788.10
402	8/1/2058	1,306,788.10	17,075.11	1,042.85	16,032.26	1,290,755.84
403	9/1/2058	1,290,755.84	17,075.11	1,030.06	16,045.05	1,274,710.79
404	10/1/2058	1,274,710.79	17,075.11	1,017.25	16,057.86	1,258,652.93
405	11/1/2058	1,258,652.93	17,075.11	1,004.44	16,070.67	1,242,582.26
406	12/1/2058	1,242,582.26	17,075.11	991.61	16,083.50	1,226,498.76
407	1/1/2059	1,226,498.76	17,075.11	978.78	16,096.33	1,210,402.43
408	2/1/2059	1,210,402.43	17,075.11	965.93	16,109.18	1,194,293.25
409	3/1/2059	1,194,293.25	17,075.11	953.08	16,122.03	1,178,171.22
410	4/1/2059	1,178,171.22	17,075.11	940.21	16,134.90	1,162,036.32
411	5/1/2059	1,162,036.32	17,075.11	927.33	16,147.78	1,145,888.54
412	6/1/2059	1,145,888.54	17,075.11	914.45	16,160.66	1,129,727.88
413	7/1/2059	1,129,727.88	17,075.11	901.55	16,173.56	1,113,554.32
414	8/1/2059	1,113,554.32	17,075.11	888.64	16,186.47	1,097,367.85
415	9/1/2059	1,097,367.85	17,075.11	875.73	16,199.38	1,081,168.47
416	10/1/2059	1,081,168.47	17,075.11	862.80	16,212.31	1,064,956.16
417	11/1/2059	1,064,956.16	17,075.11	849.86	16,225.25	1,048,730.91
418	12/1/2059	1,048,730.91	17,075.11	836.91	16,238.20	1,032,492.71
419	1/1/2060	1,032,492.71	17,075.11	823.95	16,251.16	1,016,241.55
420	2/1/2060	1,016,241.55	17,075.11	810.99	16,264.12	999,977.43
421	3/1/2060	999,977.43	17,075.11	798.01	16,277.10	983,700.33
422	4/1/2060	983,700.33	17,075.11	785.02	16,290.09	967,410.24
423	5/1/2060	967,410.24	17,075.11	772.02	16,303.09	951,107.15
424	6/1/2060	951,107.15	17,075.11	759.01	16,316.10	934,791.05
425	7/1/2060	934,791.05	17,075.11	745.99	16,329.12	918,461.93
426	8/1/2060	918,461.93	17,075.11	732.96	16,342.15	902,119.78
427	9/1/2060	902,119.78	17,075.11	719.91	16,355.20	885,764.58
428	10/1/2060	885,764.58	17,075.11	706.86	16,368.25	869,396.33
429	11/1/2060	869,396.33	17,075.11	693.80	16,381.31	853,015.02
430	12/1/2060	853,015.02	17,075.11	680.73	16,394.38	836,620.64
431	1/1/2061	836,620.64	17,075.11	667.64	16,407.47	820,213.17
432	2/1/2061	820,213.17	17,075.11	654.55	16,420.56	803,792.61
433	3/1/2061	803,792.61	17,075.11	641.45	16,433.66	787,358.95
434	4/1/2061	787,358.95	17,075.11	628.33	16,446.78	770,912.17
435	5/1/2061	770,912.17	17,075.11	615.21	16,459.90	754,452.27
436	6/1/2061	754,452.27	17,075.11	602.07	16,473.04	737,979.23
437	7/1/2061	737,979.23	17,075.11	588.93	16,486.18	721,493.05
438	8/1/2061	721,493.05	17,075.11	575.77	16,499.34	704,993.71
439	9/1/2061	704,993.71	17,075.11	562.60	16,512.51	688,481.20
440	10/1/2061	688,481.20	17,075.11	549.43	16,525.68	671,955.52
441	11/1/2061	671,955.52	17,075.11	536.24	16,538.87	655,416.65
442	12/1/2061	655,416.65	17,075.11	523.04	16,552.07	638,864.58
443	1/1/2062	638,864.58	17,075.11	509.83	16,565.28	622,299.30
444	2/1/2062	622,299.30	17,075.11	496.61	16,578.50	605,720.80
445	3/1/2062	605,720.80	17,075.11	483.38	16,591.73	589,129.07
446	4/1/2062	589,129.07	17,075.11	470.14	16,604.97	572,524.10

EXHIBIT A

BELOW MARKET RATE LOAN AMORTIZATION SCHEDULE

Period	Date	Beginning Balance	Monthly Payment	Interest	Principal	Ending Balance
447	5/1/2062	572,524.10	17,075.11	456.89	16,618.22	555,905.88
448	6/1/2062	555,905.88	17,075.11	443.63	16,631.48	539,274.40
449	7/1/2062	539,274.40	17,075.11	430.35	16,644.76	522,629.64
450	8/1/2062	522,629.64	17,075.11	417.07	16,658.04	505,971.60
451	9/1/2062	505,971.60	17,075.11	403.78	16,671.33	489,300.27
452	10/1/2062	489,300.27	17,075.11	390.47	16,684.64	472,615.63
453	11/1/2062	472,615.63	17,075.11	377.16	16,697.95	455,917.68
454	12/1/2062	455,917.68	17,075.11	363.83	16,711.28	439,206.40
455	1/1/2063	439,206.40	17,075.11	350.50	16,724.61	422,481.79
456	2/1/2063	422,481.79	17,075.11	337.15	16,737.96	405,743.83
457	3/1/2063	405,743.83	17,075.11	323.79	16,751.32	388,992.51
458	4/1/2063	388,992.51	17,075.11	310.43	16,764.68	372,227.83
459	5/1/2063	372,227.83	17,075.11	297.05	16,778.06	355,449.77
460	6/1/2063	355,449.77	17,075.11	283.66	16,791.45	338,658.32
461	7/1/2063	338,658.32	17,075.11	270.26	16,804.85	321,853.47
462	8/1/2063	321,853.47	17,075.11	256.85	16,818.26	305,035.21
463	9/1/2063	305,035.21	17,075.11	243.43	16,831.68	288,203.53
464	10/1/2063	288,203.53	17,075.11	229.99	16,845.12	271,358.41
465	11/1/2063	271,358.41	17,075.11	216.55	16,858.56	254,499.85
466	12/1/2063	254,499.85	17,075.11	203.10	16,872.01	237,627.84
467	1/1/2064	237,627.84	17,075.11	189.63	16,885.48	220,742.36
468	2/1/2064	220,742.36	17,075.11	176.16	16,898.95	203,843.41
469	3/1/2064	203,843.41	17,075.11	162.67	16,912.44	186,930.97
470	4/1/2064	186,930.97	17,075.11	149.18	16,925.93	170,005.04
471	5/1/2064	170,005.04	17,075.11	135.67	16,939.44	153,065.60
472	6/1/2064	153,065.60	17,075.11	122.15	16,952.96	136,112.64
473	7/1/2064	136,112.64	17,075.11	108.62	16,966.49	119,146.15
474	8/1/2064	119,146.15	17,075.11	95.08	16,980.03	102,166.12
475	9/1/2064	102,166.12	17,075.11	81.53	16,993.58	85,172.54
476	10/1/2064	85,172.54	17,075.11	67.97	17,007.14	68,165.40
477	11/1/2064	68,165.40	17,075.11	54.40	17,020.71	51,144.69
478	12/1/2064	51,144.69	17,075.11	40.81	17,034.30	34,110.39
479	1/1/2065	34,110.39	17,075.11	27.22	17,047.89	17,062.50
480	2/1/2065	17,062.50	17,076.12	13.62	17,062.50	-

Free Recording Requested Pursuant to
Government Code Sections 27383 and 27388.1

When recorded, mail to:
Mayor's Office of Housing and Community Development
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn: Housing Loan Administrator

-----Space Above This Line for Recorder's Use-----

1135, 1155 and 1175 Ellis Street
San Francisco, CA 94109
Assessor's Lot 031, Block 0735

**DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING
(Property Address: 1135, 1155 and 1175 Ellis Street)
(PASS Program)**

THIS DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING ("Deed of Trust") is made as of [Date], 2025, by **1155 Ellis GP LLC**, a California limited liability company ("**Trustor**"), whose address is 1135, 1155 and 1175 Ellis Street, San Francisco, California 94109, to **OLD REPUBLIC TITLE COMPANY ("Trustee")**, whose address is 275 Battery Street, San Francisco, CA 94111, for the benefit of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, represented by the Mayor, acting through the Mayor's Office of Housing and Community Development ("**Beneficiary**"). This Deed of Trust is executed pursuant to a Loan Agreement by and between Trustor and Beneficiary dated as of the date of this Deed of Trust, as it may be amended from time to time (the "**Agreement**"), the provisions of which are incorporated herein by reference. Definitions and rules of interpretation set forth in the Agreement apply to this Deed of Trust.

1. Grant in Trust. For valuable consideration, Trustor hereby grants, transfers and assigns to Trustee, in trust, with power of sale, for the benefit of Beneficiary, all right, title and interest Trustor now has or may have in the future in the following (all or any part of the following, or any interest in all or any part of it, as the context requires, the "**Property**"):

(a) that real property situated in the City and County of San Francisco, State of California, described in Exhibit A attached hereto and incorporated herein by reference (the "**Land**"), on which Trustor intends to acquire and rehabilitate a 108-unit residential rental property known as Normandy Apartments (the "**Project**"). The Project will

preserve affordability for low- to moderate-income households under the City's Small Sites Program.; and

(b) all buildings, structures and other improvements now or in the future located or to be constructed on the Land (the "**Improvements**"); and

(c) all existing and future leases, subleases, tenancies, subtenancies, licenses, occupancy agreements and concessions, and any guarantees thereof ("**Leases**") relating to the use and enjoyment of all or any part of the Land and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the Leases; and

(d) except for personal property and removable fixtures installed by tenants or subtenants, all goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which will be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust; and

(e) all building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, that have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or Improvements; and

(f) all Market Rate Loan, BMR Loan and Deferred Loan funds, whether disbursed or not, and all funds now or in the future on deposit in the Replacement Reserve Account, the Operating Reserve Account and any other account required or authorized for the Project; and

(g) all proceeds, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements; and

(h) all books and records pertaining to any and all of the property described above, including records relating to tenants under any Leases, the qualifications of any tenants and any certificates, vouchers and other documents in any way related thereto and

records relating to the application and allocation of any federal, state or local tax credits or benefits; and

(i) all rents, revenues, issues, royalties, proceeds and profits, including prepaid rent and security deposits ("**Rents**"), from the Land and the Improvements, subject to:

(i) Trustor's right to collect and retain the same as they become due and payable; and

(ii) Beneficiary's rights under **Section 3(d)**; and

(j) all intangible personal property and rights relating to the Property or its operation or used in connection with it, including, without limitation, permits, licenses, plans, specifications, construction contracts, subcontracts, bids, soils reports, engineering reports, land planning maps, drawings, construction contracts, notes, drafts, documents, engineering and architectural drawings, deposits for utility services, installations, refunds due Trustor, trade names, trademarks, and service marks; and

(k) all proceeds of, interest accrued on, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

2. Obligations Secured. This Deed of Trust is given for the purpose of securing the following (collectively, the "**Secured Obligations**"):

(a) performance of all present and future obligations of Trustor set forth in the Agreement related to the Market Rate Loan, the BMR Loan and the Deferred Loan, specifically compliance with certain restrictions on the use of the Property recited in that certain Declaration of Restrictions executed by Trustor, dated as of the date of and being recorded concurrently with this Deed of Trust, as it may be amended from time to time, the two market rate promissory notes, each dated the date of this Deed of Trust and made by Trustor to the order of Beneficiary (as may be amended from time to time, the "**Market Rate Notes**"), the two below market rate promissory notes, each dated the date of this Deed of Trust and made by Trustor to the order of Beneficiary (as may be amended from time to time, the "**BMR Notes**"), the two deferred promissory notes, each dated the date of this Deed of Trust and made by Trustor to the order of Beneficiary (as may be amended from time to time, the "**Deferred Notes**" and together with the Market Rate Notes and the BMR Notes, the "**Notes**"), and performance of each agreement incorporated by reference, contained therein, or entered into in connection with the Agreement;

(b) payment of the indebtedness evidenced by the Agreement and the Market Rate Notes which consist of two promissory notes, in the aggregate principal amount of Thirteen Million Two Hundred Seventy-One Thousand Twenty-Six and No/100 Dollars (\$13,271,026.00), with interest, according to the terms of the Agreement and the Market Rate Notes;

(c) payment of the indebtedness evidenced by the Agreement and the BMR Notes, which consist of two promissory notes, in the aggregate principal amount of Seven

Million Three Hundred Fifty-Three Thousand Six Hundred Sixty-Nine and No/100 Dollars (\$7,353,669.00), with interest, according to the terms of the Agreement and the BMR Notes;

(d) payment of the indebtedness evidenced by the Agreement and the Deferred Notes, which consist of two promissory notes, in the aggregate principal amount of One Million Two Hundred Seventeen Thousand Four Hundred Thirty-Three and No/100 Dollars (\$1,217,433.00), with interest, according to the terms of the Agreement and the Deferred Notes; and

(e) payment of any additional sums Trustor may borrow or receive from Beneficiary, when evidenced by another note (or any other instrument) reciting that payment is secured by this Deed of Trust.

3. Assignment of Rents.

(a) Assignment as Additional Security. Trustor hereby irrevocably grants, transfers, and assigns to Beneficiary all of its right, title, and interest in and to the Rents as additional security for the Secured Obligations. Subject to the provisions of subsection 3(d) below, Beneficiary hereby confers upon Trustor a license ("**License**") to collect and retain the Rents as they become due and payable, so long as no Event of Default exists and is continuing. If an Event of Default has occurred and is continuing, Beneficiary shall have the right, which it may choose to exercise in its sole discretion, to terminate this License without notice to or demand upon Trustor, and without regard to the adequacy of Beneficiary's security under this Deed of Trust.

(b) Collection and Application of Rents. Subject to the License granted to Trustor under subsection 3(a) above, Beneficiary has the right, power, and authority to collect any and all Rents. Subject to the License granted to Trustor under subsection 3(a) above, Trustor hereby appoints Beneficiary its attorney-in-fact to perform any and all of the following acts, if and at the times when Beneficiary in its sole discretion may so choose:

1. Demand, receive, and enforce payment of any and all Rents; or
2. Give receipts, releases, and satisfactions for any and all Rents; or
3. Sue either in the name of Trustor or in the name of Beneficiary for any and all Rents.

Beneficiary's right to the Rents does not depend on whether or not Beneficiary takes possession of the Property. In Beneficiary's sole discretion, it may choose to collect Rents either with or without taking possession of the Property. Beneficiary shall apply all Rents collected by it in the manner provided under this Deed of Trust. If an Event of Default occurs while Beneficiary is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Deed of Trust, Beneficiary, Trustee and any re-

ceiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Deed of Trust and at law or in equity, including the right to exercise the power of sale granted hereunder.

(c) Beneficiary Not Responsible. Under no circumstances shall Beneficiary have any duty to produce Rents from the Property. Regardless of whether or not Beneficiary, in person or by agent, takes actual possession of the Real Property and Improvements, Beneficiary is not and shall not be deemed to be:

1. A "mortgagee in possession" for any purpose; or
2. Responsible for performing any of the obligations of the lessor under any lease; or
3. Responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair, or control of the Property; or
4. Liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

(d) Election by Beneficiary. Upon the occurrence and during the continuance of an Event of Default, Beneficiary, at its option, may exercise its rights under this Section or otherwise provided under applicable law (including, but not limited to, under Section 2938 of the California Civil Code).

4. Trustor's Covenants. To protect the security of this Deed of Trust, Trustor agrees as follows:

(a) to perform the Secured Obligations in accordance with their respective terms;

(b) to keep the Land and the Improvements in good condition and repair, normal wear and tear and acts of God excepted; not to remove or demolish any Improvements without Beneficiary's prior written consent; to complete or restore promptly and in good and workmanlike manner any Improvement constructed, damaged or destroyed on the Land; to pay when due all claims for labor performed and materials furnished therefor, subject to Trustor's right to contest any claim in good faith; to comply with all laws affecting the Project, subject to Trustor's right to contest any claim in good faith; not to commit or permit waste with respect to the Land or the Improvements; not to commit, suffer or permit any act upon the Land or the Improvements in violation of law, including Environmental Laws; and to do all other acts made reasonably necessary by the character or use of the Land and the Improvements;

(c) to provide, maintain and deliver to Beneficiary property and liability insurance as required under the Agreement and apply any insurance proceeds as provided below;

(d) to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees and costs incurred in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary to foreclose this Deed of Trust following an Event of Default;

(e) to pay in accordance with the Agreement, but in each case prior to delinquency: (i) all taxes and assessments affecting the Property, including assessments on appurtenant water stock; and (ii) all encumbrances, charges and liens, with interest, on the Property or any part thereof that appear to be prior or superior hereto;

(f) should Trustor fail to make any payment or to do any act as herein provided, then, without: (i) obligation to do so; (ii) notice to or demand upon Trustor; or (iii) releasing Trustor from any obligation hereof, Beneficiary or Trustee may: (A) make or do the same in any manner and to the extent as it deems necessary to protect the security hereof; (B) appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (C) pay, purchase, contest or compromise any encumbrance, charge or lien that in its judgment appears to be prior or superior hereto; and (D) in exercising these powers, pay necessary expenses, employ counsel and pay reasonable attorneys' fees and costs, and Trustor consents to Beneficiary's and/or Trustee's entry upon the Land and Improvements for any purpose set forth in this subsection, including Beneficiary's exercise of its rights under California Code of Civil Procedure Section 564(c); and

(g) to reimburse within five (5) days of demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest at an annual rate of interest equal to the lesser of: (i) ten percent (10%); or (ii) the maximum lawful rate from date of expenditure to the date of payment.

5. Security Agreement and Fixture Filing.

(a) Grant of Security Interest. Without limiting any of the other provisions of this Deed of Trust, to secure the payment, performance and observance of the Secured Obligations, Trustor, as debtor (referred to in this Section 5 as "**Debtor**"), expressly grants to Beneficiary, as secured party (referred to in this Section 5 as "**Secured Party**"), a continuing security interest in all the Property (including now and hereafter existing) to the full extent that any portion of the Property may be subject to the Uniform Commercial Code. For purposes of this Section 5, "**Collateral**" means the personal property (tangible or intangible) and fixtures included in the Property.

(b) Debtor's Covenants, Representations, and Warranties.

(i) Debtor covenants and agrees with Secured Party that:

(1) In addition to any other remedies granted in this Deed of Trust to Secured Party or Trustee (including specifically, but not limited to, the right to proceed against the Property in accordance with the rights and remedies in respect of the Property that is real property under the Uniform Commercial Code), Secured Party may, if an Event of Defaults occurs and is continuing, proceed under the Uniform Commercial Code as to all or any part of the Collateral, and shall have and may exercise with respect to the Collateral all the rights, remedies, and powers of a secured party under the Uniform Commercial Code.

(2) Without limiting the foregoing, Secured Party shall have the right upon any public sale or sales, and, to the extent permitted by law, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in Debtor. Debtor further agrees to allow Secured Party to use or occupy the Property, without charge, for the purpose of effecting any of Secured Party's remedies in respect of the Collateral.

(3) To the extent permitted by applicable law, Debtor waives all claims, damages, and demands against Secured Party arising out of the repossession, retention, or sale of the Collateral, except for claims, damages, and demands due to the active gross negligence or willful misconduct of Secured Party in dealing with such Collateral. Trustor agrees that Secured Party need not give more than five (5) days' notice of the time and place of any public sale or of the time at which a private sale will take place and that such notice is reasonable notification of such matters. Secured Party may disclaim any warranties that might arise in connection with the sale, lease, license, or other disposition of the Collateral and have no obligation to provide any warranties at such time. Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(4) To the extent permitted by law, Debtor hereby specifically waives all rights of redemption, stay, or appraisal which it has or may have under any law now existing or hereafter enacted.

(ii) Debtor hereby authorizes Secured Party to file financing and continuation statements with respect to the Collateral as Secured Party may reasonably require.

(iii) Debtor hereby represents and warrants that no financing statement is on file in any public office except as authorized by Secured Party. Debtor will at its own cost and expense, upon demand, furnish to Secured Party such further information and will execute and deliver to Secured Party financing statements and other documents in form reasonably satisfactory to Secured Party and will do all such acts that Secured Party may at any time or from time to time reasonably require to establish and maintain a perfected security interest in the Collateral as security for the Secured Obligations, subject only to liens or encumbrances approved by or benefiting Secured Party. Debtor will pay the actual expense of

filing or recording such financing statements or other documents, and this instrument, as and where reasonably required by Secured Party.

(iv) To the extent permitted by applicable law, the security interest created hereby is specifically intended to cover all rents, royalties, issues and profits, and all inventory accounts, accounts receivable and other revenues of the Property.

(c) Fixture Filing. Certain of the Collateral is or will become "fixtures" (as that term is defined in the Uniform Commercial Code). This Deed of Trust, upon being filed for record in the real estate records of San Francisco County, shall operate also as a financing statement and fixture filing upon such of the Collateral that is or may become fixtures under the Uniform Commercial Code. Debtor's name and type and jurisdiction of entity are set forth in the introductory paragraph hereof. Debtor's address is set forth above. Debtor's EIN Number is _____. Secured Party's name and mailing address are set above.

6. Insurance and Condemnation Proceeds.

(a) Trustor hereby assigns to Beneficiary any award of damages arising from the condemnation of all or any part of the Property for public use and any insurance proceeds arising from injury to all or any part of the Property or the Project.

(b) Any condemnation award or insurance proceeds must be paid to Beneficiary or, if Beneficiary has consented to subordinate the lien of this Deed of Trust to the lien of another lender for the Project, according to the provisions in the senior lender's loan documents.

(c) If a condemnation award or insurance proceeds are paid to Beneficiary, Beneficiary will release or authorize the release of funds to Trustor, provided that the funds will be used for the reconstruction of the Project in accordance with: (i) projections demonstrating that reconstruction is economically feasible; and (ii) Trustor's construction budget, each of which must be satisfactory to Beneficiary in its reasonable discretion. In all other cases, Beneficiary may choose in its discretion to apply funds to Trustor's obligations under any of the Notes, ~~and~~ the Agreement, or to any senior obligations, in accordance with the respective priorities of the approved lienholders as their interests may appear of record, with the remaining funds, if any, released to Trustor.

(d) Trustor agrees that Beneficiary's application or release of funds pursuant to this Section will not cure or waive any default or Notice of Default (as defined below) or invalidate any act by Beneficiary performed following a default pursuant to any City Document unless the default has been cured by the application or release of funds.

7. Further Agreements. Trustor further acknowledges and agrees as follows:

(a) Beneficiary does not waive its right either to require prompt payment when due of all other sums secured by this Deed of Trust or to declare Trustor in default for failure to pay timely by accepting payment of any sum secured hereby after its due date.

(b) Trustee may reconvey any part of the Property at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the Notes for endorsement without affecting the liability of any entity or person for payment of the indebtedness secured hereby.

(c) Upon: (i) written request of Beneficiary stating that all obligations secured hereby have been paid or performed; (ii) Beneficiary's surrender of this Deed of Trust and the Notes to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose; and (iii) payment of its fees, if any, Trustee shall reconvey the Property then held hereunder without covenant or warranty.

(d) As additional security, Trustor hereby irrevocably, absolutely and unconditionally assigns to Beneficiary all Rents, whether now due, past due or to become due, subject to Beneficiary's grant to Trustor of a license to collect and retain Rents as they become due and payable so long as Trustor has not defaulted in performance of the Secured Obligations.

(e) Any voluntary or involuntary conveyance, sale, encumbrance, pledge or other transfer of all or any interest in the Property or in Trustor, including a security interest, in violation of the Agreement will constitute an Event of Default (as defined below) giving Beneficiary the right to exercise its remedies at law or in equity.

(f) For the purposes of this Deed of Trust, Beneficiary from time to time may substitute a successor or successors to Trustee named herein or acting hereunder by instrument in writing executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of San Francisco County, which instrument shall be conclusive proof of proper substitution of a successor trustee or trustees. Without conveyance from Trustee, any successor or substitute trustee will succeed to all title, estate, rights, powers and duties of Trustee. The instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the recording information for this Deed of Trust and the name and address of the new Trustee.

(g) This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns, provided that this subsection does not constitute Beneficiary's consent to any transfer in violation of this Deed of Trust. The term Beneficiary shall mean the holder of the Market Rate Notes, the BMR Notes, or the Deferred Notes, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

(h) Trustee accepts this Trust when this duly executed and acknowledged Deed of Trust is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

8. Beneficiary's Rights Following Default. Upon any default by Trustor in performance of the Secured Obligations following expiration of any applicable notice and cure periods ("**Event of Default**"):

(a) Trustor's license to collect and retain Rents will terminate automatically.

(b) Trustor consents to Beneficiary's entry upon and taking possession of the Property or any part thereof, at any time after the occurrence of an Event of Default without notice, either in person, by agent or by a receiver to be appointed by a court without regard to the adequacy of any security for the indebtedness hereby secured to sue for or otherwise collect and apply Rents, less costs and expenses of operation and collection, including those of the Property, in its own name or in the name of Trustor. Beneficiary's collection and application of Rents shall not cure or waive any Event of Default or Notice of Default or invalidate any act done pursuant to any notice.

(c) Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Property ("**Notice of Default**"), and:

i. Trustee shall cause the Notice of Default to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the Notes, and all documents evidencing expenditures secured hereby.

ii. After the lapse of time then required by law following the recordation of a Notice of Default, and notice of sale ("**Notice of Sale**") having been given as then required by law, Trustee without demand on Trustor may sell the Property at the time and place fixed in the Notice of Sale either as a whole or in separate parcels in any order at public auction to the highest bidder for cash in lawful money of the United States payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to any purchaser a trustee's deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the trustee's deed of any matters of facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at the sale.

iii. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: (A) all sums expended under the terms of this Deed of Trust not then repaid, with accrued interest at the highest rate allowed by law in effect at the date hereof; (B) all other sums then secured hereby; and (C) the remainder, if any, to the person or persons legally entitled thereto.

9. Notice of Default to Trustor. The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to it at its address set forth above or any succeeding address given by notice in accordance with the Agreement.

TRUSTOR:

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

ALL SIGNATURES MUST BE NOTARIZED

EXHIBIT A

Legal Description of the Land

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

A portion of Lot 7, In Block 735, according to Map entitled "Official Map of the Western Addition Redevelopment Project Area A-1, San Francisco, California", filed December 13, 1960, in Book "S" of Maps, at Pages 78 to 82, inclusive, in the Office of the County Recorder of the City and County of San Francisco, State of California, particularly described as follows:

Beginning at the Northeast corner of said Lot 7; running thence Westerly along the Northerly line of Lot 7 a distance of 466.875 feet; Thence at a right angle southerly 137.50 feet; Thence at a right angle Easterly 466.875 feet to the Easterly line of Lot 7; Thence at a right angle Northerly along said Easterly line of Lot 7, a distance of 137.50 feet to the point of beginning.

Assessor's Lot 031; Block 0735

Street Address:
1135, 1155 and 1175 Ellis Street
San Francisco, CA 94109

EXHIBIT A

SECURED PROMISSORY NOTE

(Small Sites Program – 1135, 1155 and 1175 Ellis Street)

Principal Amount: \$28,757,872

San Francisco, CA

Date: [Date], 2025

FOR VALUE RECEIVED, the undersigned, **1155 Ellis GP LLC**, a California limited liability company ("**Maker**"), hereby promises to pay to the order of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, or holder (as the case may be, "**Holder**"), the principal sum of Twenty-Eight Million Seven Hundred Fifty-Seven Thousand Eight Hundred Seventy-Two and No/100 Dollars (\$28,757,872.00) (the "**SSP Loan Amount**"), or so much of the SSP Loan Amount as may be disbursed from time to time pursuant to the Agreement described in Section 1 below, together with interest thereon, as provided in this Note.

1. Agreement. This Secured Promissory Note ("**Note**") is given under the terms of a Loan Agreement by and between Maker and Holder dated as of the date of this Note, as it may be amended from time to time (the "**Agreement**"), which Agreement is incorporated herein by reference. Maker's obligations under this Note and the Agreement are secured by that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Small Sites Program) dated as of the date of this Note ("**SSP Deed of Trust**"), made by Maker for the benefit of Holder. Definitions and rules of interpretation set forth in the Agreement apply to this Note. In the event of any inconsistency between the Agreement and this Note, this Note will control.

2. Interest. Interest will accrue on the principal balance outstanding under this Note from time to time at the rate of three percent (3%) per annum, simple interest, from the date of the close of escrow through the date of full payment of all amounts owing under the City Documents. Interest will be accrued annually. Interest will be calculated on the basis of actual days elapsed and a 360-day year, consisting of 12 months of 30 days each, which will result in higher interest charges than if a 365-day year were used.

3. Default Interest Rate. Upon the occurrence of an Event of Default under any City Document, interest will be deemed to have accrued on the outstanding principal balance of the SSP Loan at a compounded annual rate equal to ten percent (10%), commencing on the date of the Event of Default through the earlier of: (x) the date on which the Event of Default is cured; or (y) the date on which all amounts due under the City Documents are paid to Holder. Maker acknowledges and agrees that the default interest that must be paid in the event of an Event of Default pursuant to this Section represents a reasonable sum considering all the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder if Maker defaults. Maker further agrees that proof of actual damages would be costly and inconvenient and that default interest will be paid without prejudice to Holder's right to collect any other amounts to be paid or to exercise any of its other rights or remedies under any City Document.

4. Repayment of SSP Loan Amount.

4.1 Subject to Section 12.1 and Section 13.4 of the Agreement, Maker must make annual payments of principal and interest (each, a "**Payment**") in an amount equal to two-

thirds of the Residual Receipts, if any, attributable to the prior calendar year, beginning on the first December 31st after the date that the SSP Deed of Trust is recorded in the Recorder's Office of San Francisco County, and continuing each December 31st thereafter up to and including the Maturity Date, as defined below (each, a "**Payment Date**"). All Payments will be applied to the following in the following order: (a) costs and fees incurred and unpaid; (b) accrued and unpaid interest; and (c) reduction of the principal balance of the SSP Loan. The unpaid principal balance of the SSP Loan, together with all accrued and unpaid interest and unpaid costs and fees incurred, will be due and payable on the date that is the fortieth (40th) anniversary of the first day of the first full month following the date that the SSP Deed of Trust is recorded in the Recorder's Office of San Francisco County (the "**Maturity Date**"). Any Payment Date, including the Maturity Date, which falls on a weekend or holiday will be deemed to fall on the next succeeding business day.

4.2 Maker's obligation to pay interest annually may be forgiven by Holder in its sole discretion if there are insufficient Residual Receipts on any Payment Date, following Maker's timely submission of audited financials and Annual Monitoring Report (AMR) reporting requirements. Forgiven interest will be deemed not to have accrued.

5. Security. Maker's obligations under this Note are secured by the SSP Deed of Trust.

6. Terms of Payment.

6.1 All Payments must be made in currency of the United States of America then lawful for payment of public and private debts.

6.2 All Payments must be made payable to Holder and mailed or delivered in person to Holder's office at One South Van Ness Avenue, 5th Floor, San Francisco, CA 94103, or to any other place Holder from time to time designates.

6.3 In no event will Maker be obligated under the terms of this Note to pay interest exceeding the lawful rate. Accordingly, if the payment of any sum by Maker pursuant to the terms of this Note would result in the payment of interest exceeding the amount that Holder may charge legally under applicable state and/or federal law, the amount by which the payment exceeds the amount payable at the lawful interest rate will be deducted automatically from the principal balance owing under this Note.

6.4 Maker waives the right to designate how Payments will be applied pursuant to California Civil Code Sections 1479 and 2822. Holder will have the right in its sole discretion to determine the order and method of application of Payments to obligations under this Note.

6.5 Except as otherwise set forth in this Note or in the Agreement, no prepayment of this Note shall be permitted without Holder's prior written consent, which may be given or withheld in Holder's sole discretion.

7. Default.

7.1 Any of the following will constitute an Event of Default under this Note:

(a) Maker fails to make any Payment required under this Note within ten (10) days of the date it is due; or

(b) the occurrence of any other Event of Default under the Agreement or other instrument securing the obligations of Maker under this Note or under any other agreement between Maker and Holder with respect to the Project.

7.2 Upon the occurrence of any Event of Default, without notice to or demand upon Maker, which are expressly waived by Maker (except for notices or demands otherwise required by applicable laws to the extent not effectively waived by Maker and any notices or demands specified in the City Documents), Holder may exercise all rights and remedies available under this Note, the Agreement or otherwise available to Holder at law or in equity. Maker acknowledges and agrees that Holder's remedies include the right to accelerate the Maturity Date by declaring the outstanding principal balance of the SSP Loan, together with all accrued and unpaid interest and unpaid fees and costs incurred, due and payable immediately, in which case, the Maturity Date will be superseded and replaced by the date established by Holder.

7.3 Holder will not seek or obtain judgment against Maker for the payment of any amounts due under this Note following a judicial or nonjudicial foreclosure of the SSP Deed of Trust, and Holder's sole recourse against Maker for any default under this Note will be limited to the collateral for the SSP Loan, provided, however, that this Section will be deemed void and of no effect if Maker challenges Holder's right to foreclose following an Event of Default in any legal proceeding on the grounds that the City Documents are not valid and enforceable under California law. This provision does not limit in any way Holder's right to recover sums arising under any obligation of Maker to indemnify Holder of sums incurred by Holder as a result of Maker's fraud, willful misrepresentation, misapplication of funds (including SSP Loan funds and Rents), waste or negligent or intentional damage to the collateral for the SSP Loan.

8. Waivers.

8.1 Maker expressly agrees that the term of this Note or the date of any payment due hereunder may be extended from time to time with Holder's consent, and that Holder may accept further security or release any security for this Note, all without in any way affecting the liability of Maker.

8.2 No extension of time for any Payment made by agreement by Holder with any person now or hereafter liable for the payment of this Note will operate to release, discharge, modify, change or affect the original liability of Maker under this Note, either in whole or in part.

8.3 The obligations of Maker under this Note are absolute, and Maker waives any and all rights to offset, deduct or withhold any Payments or charges due under this Note for any reason whatsoever.

9. Miscellaneous Provisions.

9.1 All notices to Holder or Maker must be given in the manner and at the addresses set forth in the Agreement, or to the addresses Holder and/or Maker hereafter designate in accordance with the Agreement.

9.2 In the event of any legal proceedings arising from the enforcement of or a default under this Note or in any bankruptcy proceeding of Maker, the non-prevailing party promises to pay all reasonable costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the proceeding, as provided in the Agreement.

9.3 This Note may be amended only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

9.4 This Note is governed by and must be construed in accordance with the laws of the State of California, without regard to the choice of law rules of the State.

9.5 Time is of the essence in the performance of any obligations hereunder.

[SIGNATURES ON THE NEXT PAGE]

"MAKER"

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

Free Recording Requested Pursuant to
Government Code Sections 27383 and 27388.1

When recorded, mail to:
Mayor's Office of Housing and Community Development
City and County of San Francisco
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn: Housing Loan Administrator

-----Space Above This Line for Recorder's Use-----

1135, 1155 and 1175 Ellis Street
San Francisco, CA 94102
Assessor's Lot 031, Block 0735

**DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING**
(Property Address: 1135, 1155 and 1175 Ellis Street)
(Small Sites Program)

THIS DEED OF TRUST, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING ("Deed of Trust") is made as of _____, 2025, by **1155 Ellis GP LLC**, a California limited liability company ("**Trustor**"), whose address is 201 Eddy Street, San Francisco, California 94102, to **OLD REPUBLIC TITLE COMPANY ("Trustee")**, whose address is 275 Battery Street, Suite 1500, San Francisco, CA 94111, for the benefit of the **CITY AND COUNTY OF SAN FRANCISCO**, a municipal corporation, represented by the Mayor, acting through the Mayor's Office of Housing and Community Development ("**Beneficiary**"). This Deed of Trust is executed pursuant to a Loan Agreement by and between Trustor and Beneficiary dated as of the date of this Deed of Trust, as it may be amended from time to time (the "**Agreement**"), the provisions of which are incorporated herein by reference. Definitions and rules of interpretation set forth in the Agreement apply to this Deed of Trust. This Deed of Trust is unconditionally and shall at all times remain a lien or charge on the Property subject and subordinate to that certain Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing executed by Trustor and recorded against the Property to secure Trustor's performance under the Agreement.

1. Grant in Trust. For valuable consideration, Trustor hereby grants, transfers and assigns to Trustee, in trust, with power of sale, for the benefit of Beneficiary, all right, title and interest Trustor now has or may have in the future in the following (all or any part of the following, or any interest in all or any part of it, as the context requires, the "**Property**"):

(a) that real property situated in the City and County of San Francisco, State of California, described in Exhibit A attached hereto and incorporated herein by reference

(the "**Land**"), on which Trustor intends to acquire and rehabilitate a 108-unit multi-family property (the "**Project**"). The Project will preserve affordability for low- to moderate-income households under the City's Small Sites Program; and

(b) all buildings, structures and other improvements now or in the future located or to be constructed on the Land (the "**Improvements**"); and

(c) all existing and future leases, subleases, tenancies, subtenancies, licenses, occupancy agreements and concessions, and any guarantees thereof ("**Leases**") relating to the use and enjoyment of all or any part of the Land and Improvements, and any and all guaranties and other agreements relating to or made in connection with any of the Leases; and

(d) except for personal property and removable fixtures installed by tenants or subtenants, all goods, materials, supplies, chattels, furniture, fixtures, equipment and machinery now or later to be attached to, placed in or on, or used in connection with the use, enjoyment, occupancy or operation of all or any part of the Land and Improvements, whether stored on the Land or elsewhere, including all pumping plants, engines, pipes, ditches and flumes, and also all gas, electric, cooking, heating, cooling, air conditioning, lighting, refrigeration and plumbing fixtures and equipment, all of which will be considered to the fullest extent of the law to be real property for purposes of this Deed of Trust; and

(e) all building materials, equipment, work in process or other personal property of any kind, whether stored on the Land or elsewhere, that have been or later will be acquired for the purpose of being delivered to, incorporated into or installed in or about the Land or Improvements; and

(f) all SSP Loan funds, whether disbursed or not, and all funds now or in the future on deposit in the Replacement Reserve Account, the Operating Reserve Account and any other account required or authorized for the Project; and

(g) all proceeds, including proceeds of all present and future fire, hazard or casualty insurance policies and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any damage or injury to the Land, Improvements or the other property described above or any part of them, or breach of warranty in connection with the construction of the Improvements; and

(h) all books and records pertaining to any and all of the property described above, including records relating to tenants under any Leases, the qualifications of any tenants and any certificates, vouchers and other documents in any way related thereto and

records relating to the application and allocation of any federal, state or local tax credits or benefits; and

(i) all rents, revenues, issues, royalties, proceeds and profits, including prepaid rent and security deposits ("**Rents**"), from the Land and the Improvements, subject to: (i) Trustor's right to collect and retain the same as they become due and payable; and (ii) Beneficiary's rights under Section 3(d); and

(j) all intangible personal property and rights relating to the Property or its operation or used in connection with it, including, without limitation, permits, licenses, plans, specifications, construction contracts, subcontracts, bids, soils reports, engineering reports, land planning maps, drawings, construction contracts, notes, drafts, documents, engineering and architectural drawings, deposits for utility services, installations, refunds due Trustor, trade names, trademarks, and service marks; and

(k) all proceeds of, interest accrued on, additions and accretions to, substitutions and replacements for, and changes in any of the property described above.

2. Obligations Secured. This Deed of Trust is given for the purpose of securing the following (collectively, the "**Secured Obligations**"):

(a) performance of all present and future obligations of Trustor set forth in the Agreement related to the SSP Loan, specifically compliance with certain restrictions on the use of the Property recited in that certain Declaration of Restrictions executed by Trustor, dated as of the date of and being recorded concurrently with this Deed of Trust, as it may be amended from time to time, and the promissory note dated the date of this Deed of Trust made by Trustor to the order of Beneficiary (as it may be amended from time to time, the "**SSP Note**") and performance of each agreement incorporated by reference, contained therein, or entered into in connection with the Agreement;

(b) payment of the indebtedness evidenced by the Agreement and the SSP Note in the original principal amount of Thirty Million and No/100 Dollars (\$30,000,000.00), with interest, according to the terms of the Agreement and the SSP Note; and

(c) payment of any additional sums Trustor may borrow or receive from Beneficiary, when evidenced by another note (or any other instrument) reciting that payment is secured by this Deed of Trust

3. Assignment of Rents.

(a) Assignment as Additional Security. Trustor hereby irrevocably grants, transfers, and assigns to Beneficiary all of its right, title, and interest in and to the Rents as additional security for the Secured Obligations. Subject to the provisions of subsection

3(d) below, Beneficiary hereby confers upon Trustor a license ("**License**") to collect and retain the Rents as they become due and payable, so long as no Event of Default exists and is continuing. If an Event of Default has occurred and is continuing, Beneficiary shall have the right, which it may choose to exercise in its sole discretion, to terminate this License without notice to or demand upon Trustor, and without regard to the adequacy of Beneficiary's security under this Deed of Trust.

(b) Collection and Application of Rents. Subject to the License granted to Trustor under subsection 3(a) above, Beneficiary has the right, power, and authority to collect any and all Rents. Subject to the License granted to Trustor under subsection 3(a) above, Trustor hereby appoints Beneficiary its attorney-in-fact to perform any and all of the following acts, if and at the times when Beneficiary in its sole discretion may so choose:

1. Demand, receive, and enforce payment of any and all Rents; or
2. Give receipts, releases, and satisfactions for any and all Rents; or
3. Sue either in the name of Trustor or in the name of Beneficiary for any and all Rents.

Beneficiary's right to the Rents does not depend on whether or not Beneficiary takes possession of the Property. In Beneficiary's sole discretion, it may choose to collect Rents either with or without taking possession of the Property. Beneficiary shall apply all Rents collected by it in the manner provided under this Deed of Trust. If an Event of Default occurs while Beneficiary is in possession of all or part of the Property and is collecting and applying Rents as permitted under this Deed of Trust, Beneficiary, Trustee and any receiver shall nevertheless be entitled to exercise and invoke every right and remedy afforded any of them under this Deed of Trust and at law or in equity, including the right to exercise the power of sale granted hereunder.

(c) Beneficiary Not Responsible. Under no circumstances shall Beneficiary have any duty to produce Rents from the Property. Regardless of whether or not Beneficiary, in person or by agent, takes actual possession of the Real Property and Improvements, Beneficiary is not and shall not be deemed to be:

1. A "mortgagee in possession" for any purpose; or
2. Responsible for performing any of the obligations of the lessor under any lease; or
3. Responsible for any waste committed by lessees or any other parties, any dangerous or defective condition of the Property, or any negligence in the management, upkeep, repair, or control of the Property; or
4. Liable in any manner for the Property or the use, occupancy, enjoyment or operation of all or any part of it.

(d) Election by Beneficiary. Upon the occurrence and during the continuance of an Event of Default, Beneficiary, at its option, may exercise its rights under this

Section or otherwise provided under applicable law (including, but not limited to, under Section 2938 of the California Civil Code).

4. Trustor's Covenants. To protect the security of this Deed of Trust, Trustor agrees as follows:

(a) to perform the Secured Obligations in accordance with their respective terms;

(b) to keep the Land and the Improvements in good condition and repair, normal wear and tear and acts of God excepted; not to remove or demolish any Improvements without Beneficiary's prior written consent; to complete or restore promptly and in good and workmanlike manner any Improvement constructed, damaged or destroyed on the Land; to pay when due all claims for labor performed and materials furnished therefor, subject to Trustor's right to contest any claim in good faith; to comply with all laws affecting the Project, subject to Trustor's right to contest any claim in good faith; not to commit or permit waste with respect to the Land or the Improvements; not to commit, suffer or permit any act upon the Land or the Improvements in violation of law, including Environmental Laws; and to do all other acts made reasonably necessary by the character or use of the Land and the Improvements;

(c) to provide, maintain and deliver to Beneficiary property and liability insurance as required under the Agreement and apply any insurance proceeds as provided below;

(d) to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and reasonable attorneys' fees and costs incurred in any such action or proceeding in which Beneficiary or Trustee may appear and in any suit brought by Beneficiary to foreclose this Deed of Trust following an Event of Default;

(e) to pay in accordance with the Agreement, but in each case prior to delinquency: (i) all taxes and assessments affecting the Property, including assessments on appurtenant water stock; and (ii) all encumbrances, charges and liens, with interest, on the Property or any part thereof that appear to be prior or superior hereto;

(f) should Trustor fail to make any payment or to do any act as herein provided, then, without: (i) obligation to do so; (ii) notice to or demand upon Trustor; or (iii) releasing Trustor from any obligation hereof, Beneficiary or Trustee may: (A) make or do the same in any manner and to the extent as it deems necessary to protect the security hereof; (B) appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; (C) pay, purchase, contest or compromise any encumbrance, charge or lien that in its judgment appears to be

prior or superior hereto; and (D) in exercising these powers, pay necessary expenses, employ counsel and pay reasonable attorneys' fees and costs, and Trustor consents to Beneficiary's and/or Trustee's entry upon the Land and Improvements for any purpose set forth in this subsection, including Beneficiary's exercise of its rights under California Code of Civil Procedure Section 564(c); and

(g) to reimburse within five (5) days of demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest at an annual rate of interest equal to the lesser of: (i) ten percent (10%); or (ii) the maximum lawful rate from date of expenditure to the date of payment.

5. Security Agreement and Fixture Filing.

(a) Grant of Security Interest. Without limiting any of the other provisions of this Deed of Trust, to secure the payment, performance and observance of the Secured Obligations, Trustor, as debtor (referred to in this Section 5 as "**Debtor**"), expressly grants to Beneficiary, as secured party (referred to in this Section 5 as "**Secured Party**"), a continuing security interest in all the Property (including now and hereafter existing) to the full extent that any portion of the Property may be subject to the Uniform Commercial Code. For purposes of this Section 5, "**Collateral**" means the personal property (tangible or intangible) and fixtures included in the Property.

(b) Debtor's Covenants, Representations, and Warranties.

(i) Debtor covenants and agrees with Secured Party that:

(1) In addition to any other remedies granted in this Deed of Trust to Secured Party or Trustee (including specifically, but not limited to, the right to proceed against the Property in accordance with the rights and remedies in respect of the Property that is real property under the Uniform Commercial Code), Secured Party may, if an Event of Defaults occurs and is continuing, proceed under the Uniform Commercial Code as to all or any part of the Collateral, and shall have and may exercise with respect to the Collateral all the rights, remedies, and powers of a secured party under the Uniform Commercial Code.

(2) Without limiting the foregoing, Secured Party shall have the right upon any public sale or sales, and, to the extent permitted by law, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in Debtor. Debtor further agrees to allow Secured Party to use or occupy the Property, without charge, for the purpose of effecting any of Secured Party's remedies in respect of the Collateral.

(3) To the extent permitted by applicable law, Debtor waives all claims, damages, and demands against Secured Party arising out of the repossession, retention, or sale of the Collateral, except for claims, damages, and demands due to the

active gross negligence or willful misconduct of Secured Party in dealing with such Collateral. Trustor agrees that Secured Party need not give more than five (5) days' notice of the time and place of any public sale or of the time at which a private sale will take place and that such notice is reasonable notification of such matters. Secured Party may disclaim any warranties that might arise in connection with the sale, lease, license, or other disposition of the Collateral and have no obligation to provide any warranties at such time. Secured Party may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(4) To the extent permitted by law, Debtor hereby specifically waives all rights of redemption, stay, or appraisal which it has or may have under any law now existing or hereafter enacted.

(ii) Debtor hereby authorizes Secured Party to file financing and continuation statements with respect to the Collateral as Secured Party may reasonably require.

(iii) Debtor hereby represents and warrants that no financing statement is on file in any public office except as authorized by Secured Party. Debtor will at its own cost and expense, upon demand, furnish to Secured Party such further information and will execute and deliver to Secured Party financing statements and other documents in form reasonably satisfactory to Secured Party and will do all such acts that Secured Party may at any time or from time to time reasonably require to establish and maintain a perfected security interest in the Collateral as security for the Secured Obligations, subject only to liens or encumbrances approved by or benefiting Secured Party. Debtor will pay the actual expense of filing or recording such financing statements or other documents, and this instrument, as and where reasonably required by Secured Party.

(iv) To the extent permitted by applicable law, the security interest created hereby is specifically intended to cover all rents, royalties, issues and profits, and all inventory accounts, accounts receivable and other revenues of the Property.

(c) Fixture Filing. Certain of the Collateral is or will become "fixtures" (as that term is defined in the Uniform Commercial Code). This Deed of Trust, upon being filed for record in the real estate records of San Francisco County, shall operate also as a financing statement and fixture filing upon such of the Collateral that is or may become fixtures under the Uniform Commercial Code. Debtor's name and type and jurisdiction of entity are set forth in the introductory paragraph hereof. Debtor's address is set forth above. Secured Party's name and mailing address are set above.

6. Insurance and Condemnation Proceeds.

(a) Trustor hereby assigns to Beneficiary any award of damages arising from the condemnation of all or any part of the Property for public use and any insurance proceeds arising from injury to all or any part of the Property or the Project.

(b) Any condemnation award or insurance proceeds must be paid to Beneficiary or, if Beneficiary has consented to subordinate the lien of this Deed of Trust to the lien of another lender for the Project, according to the provisions in the senior lender's loan documents.

(c) If a condemnation award or insurance proceeds are paid to Beneficiary, Beneficiary will release or authorize the release of funds to Trustor, provided that the funds will be used for the reconstruction of the Project in accordance with: (i) projections demonstrating that reconstruction is economically feasible; and (ii) Trustor's construction budget, each of which must be satisfactory to Beneficiary in its reasonable discretion. In all other cases, Beneficiary may choose in its discretion to apply funds to Trustor's obligations under the SSP Note and the Agreement or to any senior obligations, in accordance with the respective priorities of the approved lienholders as their interests may appear of record, with the remaining funds, if any, released to Trustor.

(d) Trustor agrees that Beneficiary's application or release of funds pursuant to this Section will not cure or waive any default or Notice of Default (as defined below) or invalidate any act by Beneficiary performed following a default pursuant to any City Document unless the default has been cured by the application or release of funds.

7. Further Agreements. Trustor further acknowledges and agrees as follows:

(a) Beneficiary does not waive its right either to require prompt payment when due of all other sums secured by this Deed of Trust or to declare Trustor in default for failure to pay timely by accepting payment of any sum secured hereby after its due date.

(b) Trustee may reconvey any part of the Property at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and the SSP Note for endorsement without affecting the liability of any entity or person for payment of the indebtedness secured hereby.

(c) Upon: (i) written request of Beneficiary stating that all obligations secured hereby have been paid or performed; (ii) Beneficiary's surrender of this Deed of Trust and the SSP Note to Trustee for cancellation and retention or other disposition as Trustee in its sole discretion may choose; and (iii) payment of its fees, if any, Trustee shall reconvey the Property then held hereunder without covenant or warranty.

(d) As additional security, Trustor hereby irrevocably, absolutely and unconditionally assigns to Beneficiary all Rents, whether now due, past due or to become due, subject to Beneficiary's grant to Trustor of a license to collect and retain Rents as they become due and payable so long as Trustor has not defaulted in performance of the Secured Obligations.

(e) Any voluntary or involuntary conveyance, sale, encumbrance, pledge or other transfer of all or any interest in the Property or in Trustor, including a security interest, in violation of the Agreement will constitute an Event of Default (as defined below) giving Beneficiary the right to exercise its remedies at law or in equity.

(f) For the purposes of this Deed of Trust, Beneficiary from time to time may substitute a successor or successors to Trustee named herein or acting hereunder by instrument in writing executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of San Francisco County, which instrument shall be conclusive proof of proper substitution of a successor trustee or trustees. Without conveyance from Trustee, any successor or substitute trustee will succeed to all title, estate, rights, powers and duties of Trustee. The instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the recording information for this Deed of Trust and the name and address of the new Trustee.

(g) This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns, provided that this subsection does not constitute Beneficiary's consent to any transfer in violation of this Deed of Trust. The term Beneficiary shall mean the holder of the SSP Note, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or the neuter, and the singular number includes the plural.

(h) Trustee accepts this Trust when this duly executed and acknowledged Deed of Trust is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

8. Beneficiary's Rights Following Default. Upon any default by Trustor in performance of the Secured Obligations following expiration of any applicable notice and cure periods ("**Event of Default**"):

(a) Trustor's license to collect and retain Rents will terminate automatically.

(b) Trustor consents to Beneficiary's entry upon and taking possession of the Property or any part thereof, at any time after the occurrence of an Event of Default without notice, either in person, by agent or by a receiver to be appointed by a court without regard to the adequacy of any security for the indebtedness hereby secured to sue for or otherwise collect and apply Rents, less costs and expenses of operation and collection, including those of the Property, in its own name or in the name of Trustor. Beneficiary's collection and application of Rents shall not cure or waive any Event of Default or Notice of Default or invalidate any act done pursuant to any notice.

(c) Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold the Property ("**Notice of Default**"), and:

i. Trustee shall cause the Notice of Default to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust, the SSP Note and all documents evidencing expenditures secured hereby.

ii. After the lapse of time then required by law following the recordation of a Notice of Default, and notice of sale ("**Notice of Sale**") having been given as then required by law, Trustee without demand on Trustor may sell the Property at the time and place fixed in the Notice of Sale either as a whole or in separate parcels in any order at public auction to the highest bidder for cash in lawful money of the United States payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to any purchaser a trustee's deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the trustee's deed of any matters of facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at the sale.

iii. After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: (A) all sums expended under the terms of this Deed of Trust not then repaid, with accrued interest at the highest rate allowed by law in effect at the date hereof; (B) all other sums then secured hereby; and (C) the remainder, if any, to the person or persons legally entitled thereto.

9. Notice of Default to Trustor. The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to it at its address set forth above or any succeeding address given by notice in accordance with the Agreement.

TRUSTOR:

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Katherine Lamont
Chief Operating Officer

ALL SIGNATURES MUST BE NOTARIZED

EXHIBIT A

Legal Description of the Land

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

A portion of Lot 7, In Block 735, according to Map entitled "Official Map of the Western Addition Redevelopment Project Area A-1, San Francisco, California", filed December 13, 1960, in Book "S" of Maps, at Pages 78 to 82, inclusive, in the Office of the County Recorder of the City and County of San Francisco, State of California, particularly described as follows:

Beginning at the Northeast corner of said Lot 7; running thence Westerly along the Northerly line of Lot 7 a distance of 466.875 feet; Thence at a right angle southerly 137.50 feet; Thence at a right angle Easterly 466.875 feet to the Easterly line of Lot 7; Thence at a right angle Northerly along said Easterly line of Lot 7, a distance of 137.50 feet to the point of beginning.

Assessor's Lot 031; Block 0735

Street Address:
1135, 1155 and 1175 Ellis Street
San Francisco, CA 94102

Free Recording Requested Pursuant to
Government Code Sections 27383 and 27388.1

Recording requested by and
when recorded mail to:
City and County of San Francisco
Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, California 94103
Attn: Housing Loan Administrator

-----Space Above This Line for Recorder's Use-----

1135, 1155 and 1175 Ellis Street
San Francisco, CA 94109
Assessor's Lot 031, Block 0735

FIRST AMENDED AND RESTATED DECLARATION OF RESTRICTIONS

1135, 1155 and 1175 Ellis Street

THIS FIRST AMENDED AND RESTATED DECLARATION OF RESTRICTIONS ("Declaration") is made as of [Date], 2025, by **1155 Ellis GP LLC**, a California limited liability company ("**Borrower**"), in favor of the **CITY AND COUNTY OF SAN FRANCISCO**, represented by the Mayor, acting through the Mayor's Office of Housing and Community Development (the "**City**").

RECITALS

A. The City is making loans (collectively, the "**Loan**") to Borrower of 2024 G.O. Bond funds, 2019 G.O. Bond funds, 2016 G.O. Bond funds, CDBG Funds, Affordable Housing Fees, Housing Trust Funds, and Housing Stability Funds (collectively, the "**Funds**") to provide permanent financing for the acquisition and rehabilitation of the real property described in **Exhibit A** attached hereto and incorporated herein by reference (the "**Property**") as low- to moderate-income housing (the "**Project**"). The Loan is evidenced by, among other documents, a Loan Agreement between the City and Borrower dated as of the date of this Declaration, as it may be amended from time to time (the "**Agreement**"). The Agreement is incorporated by reference in this Declaration as though fully set forth and is available through the Mayor's Office of Housing and Community Development ("**MOHCD**") at the address specified in the recording request set forth above.

B. Borrower's predecessor in interest, Normandy Ellis, LLC, a California limited liability company, purchased the Property in January 2025 with financing provided by the San Francisco Housing Accelerator Fund, a California nonprofit public benefit corporation ("**SFHAF**") that helps San Franciscans avoid displacement and eviction by removing small properties from the speculative market, stabilizing housing for current tenants of those properties, and converting the properties to permanently affordable housing. In connection

with the SFHAF financing, Normandy Ellis, LLC recorded a Declaration of Restrictions in favor of SFHAF and the City in the Official Records of San Francisco County on January 31, 2025 as Document Number [____-_____] (the “**Original Declaration**”). This Declaration amends and restates the Original Declaration in its entirety.

C. Pursuant to the Agreement, Borrower has agreed to comply with certain affordability and other use and occupancy restrictions (collectively, the "**Regulatory Obligations**"), commencing on the Agreement Date, and continuing for as long as the Project or any modification of the Project remains in existence, but in any event no less than ninety nine (99) years from the date the Deeds of Trust are recorded in the Official Records of San Francisco County (the "**Compliance Term**"), even if the Loan is repaid or otherwise satisfied or the Deeds of Trust are reconveyed. Borrower's covenants and agreements described in this Declaration are a material part of the consideration for the City in making the Loan, and without Borrower's agreement to subject the Property to the Regulatory Obligations even after the Loan is satisfied, the City would be unwilling to make the Loan to Borrower.

AGREEMENT

Now, therefore, in consideration of the City's providing the Loan in accordance with the City Documents, Borrower agrees as follows:

1. Definitions. Any capitalized terms not defined in this Declaration shall have the meaning set forth in the Agreement.

2. Regulatory Obligations. Borrower must comply with the Regulatory Obligations through the expiration of the Compliance Term, including without limitation those described in this Declaration, regardless of any reconveyance of the Deeds of Trust.

3. Affordability and Restrictions.

(a) Restrictions. The Project may be occupied only by Qualified Tenants and their households. At all times, over 50% of the Units must be occupied by households at or below 80% of area median income as published by HUD and Rent for such Units may not exceed 30% of 80% of the tenant's household income. As provided in Section 7.2(b) of the Agreement, a Qualified Tenant will remain eligible for their Unit regardless of rises in household income during its tenancy. Qualified Tenants at initial occupancy must pay at least 20% of their gross household income towards Rent unless otherwise approved by MOHCD, provided that in no event shall any Qualified Tenant be required to pay Rent in excess of the lesser of (i) Maximum Rent, or (ii) 20% below the market rents of comparable units as approved by MOHCD, except as otherwise provided in Section 7.3(d) of the Agreement. To the extent possible and in compliance with MOHCD's marketing procedures, Borrower will maximize the occupancy of the Units.

(b) Rents on Agreement Date. Required Rents for the Units as of the Agreement Date shall be as follows:

Unit Number	Unit Type	Rent (monthly payments) as of the Date of Close of the Loan
A101	Studio	\$2,020
A102	Studio	\$1,504
A103	Studio	\$1,850
A104	Studio	\$1,800
A105	Studio	\$1,900
A106	Studio	\$2,000
A107	1BR	\$2,350
A108	Studio	\$1,385
A109	Studio	\$2,125
A110	Studio	\$2,081
A111	Studio	\$1,331
A112	Studio	\$1,696
A113	Studio	\$1,041
A114	Studio	\$2,278
A201	Studio	\$2,000
A202	Studio	\$1,291
A203	Studio	Vacant
A204	Studio	\$1,212
A205	Studio	\$1,850
A206	Studio	\$2,100
A207	1BR	\$2,500
A208	Studio	\$1,499
A209	Studio	\$2,008

A210	Studio	Vacant
A211	Studio	\$2,050
A212	Studio	\$2,000
A213	Studio	\$1,248
A214	Studio	\$1,900
A301	Studio	\$1,994
A302	Studio	\$1,938
A303	Studio	\$2,150
A304	Studio	\$1,326
A305	Studio	\$1,430
A306	Studio	\$2,046
A307	1BR	\$2,350
A308	Studio	\$1,438
A309	Studio	\$1,666
A310	Studio	\$2,371
A311	Studio	\$984
A312	Studio	\$2,400
A313	Studio	\$904
A314	Studio	Vacant
B101	1BR	\$2,350
B102	1BR	\$2,523
B103	1BR	\$1,878
B104	1BR	\$2,665
B105	1BR	\$2,500
B106	1BR	\$2,241

B107	1BR	\$1,839
B108	1BR	\$2,389
B201	1BR	Vacant
B202	1BR	\$1,675
B203	1BR	\$1,768
B204	1BR	\$1,103
B205	1BR	\$1,318
B206	1BR	\$1,698
B207	1BR	\$1,903
B208	1BR	\$1,862
B301	1BR	\$2,404
B302	1BR	\$1,926
B303	1BR	\$1,508
B304	1BR	\$2,395
B305	1BR	\$1,768
B306	1BR	\$1,838
B307	1BR	\$1,923
B308	1BR	\$1,648
C101	Studio	Vacant
C102	Studio	\$1,800
C103	Studio	Vacant
C104	Studio	\$1,428
C105	Studio	\$1,907
C106	Studio	Vacant
C107	1BR	\$2,454

C108	Studio	\$2,400
C109	Studio	\$1,330
C110	Studio	\$2,170
C111	Studio	\$1,122
C112	Studio	\$1,427
C113	Studio	Vacant
C114	Studio	\$2,279
C201	Studio	\$1,995
C202	Studio	\$1,508
C203	Studio	\$1,995
C204	Studio	\$1,098
C205	Studio	Vacant
C206	Studio	\$1,907
C207	1BR	\$2,634
C208	Studio	\$2,072
C209	Studio	\$1,900
C210	Studio	\$1,325
C211	Studio	\$2,020
C212	Studio	\$1,508
C213	Studio	\$1,728
C214	Studio	\$1,666
C301	Studio	\$2,150
C302	Studio	\$2,072
C303	Studio	Vacant
C304	Studio	\$2,101

C305	Studio	\$1,995
C306	Studio	\$1,604
C307	1BR	\$2,008
C308	Studio	Vacant
C309	Studio	\$2,123
C310	Studio	\$2,123
C311	Studio	\$2,300
C312	Studio	\$1,105
C313	Studio	\$2,050
C314	Studio	\$2,300

(c) Rents for Units at Turn Over. After the Agreement Date, the Rent for each Unit that becomes vacant must be approved by MOHCD before the Unit may be rented to a Qualified Tenant. The Rent shall be set at the amount necessary to bring the Project's combined average Rents for all Units as close as is possible but no higher than the amount calculated as 30% of 80% Median Income. In addition, (i) over 50% of the Units must be occupied by households at or below 80% of area median income as published by HUD, and (ii) no vacant Unit may be filled with a household earning more than 120% Median Income upon initial occupancy.

4. Rent Adjustments and Restrictions. Rent for all Units may be increased only once annually. Rent for all Units shall be increased annually on the anniversary of the Agreement Date by the greater of: (x) the percentage change in annual operating expenses, up to a maximum of 3.5%; or (y) 2%, except as follows:

(a) Phased Increases. Increases in Rent for existing Qualified Tenants whose Rent and household income do not meet the requirements of the SSP Guidelines shall be determined after their income certification, which must occur by the first anniversary of the Agreement Date, as described in Section 7 of the Agreement. Such Rent increases and schedule must be approved in writing by MOHCD and shall occur on specified anniversaries of the Agreement Date. After such phased increases, Rent shall be adjusted as otherwise described in this Section 4.

(b) Severely Rent Burdened Qualified Tenants. If the Rent increase described in this Section 4 results in any Qualified Tenant household becoming Severely Rent Burdened, Borrower is not required to increase the Rent of the Severely Rent Burdened

Qualified Tenant until such time as the Qualified Tenant is no longer Severely Rent Burdened, provided that: (i) Borrower first demonstrates to the satisfaction of MOHCD, in MOHCD's sole discretion, that the Project maintains short- and long-term financial sustainability in the form of positive cash flow, adequately funded reserves, and other indicators as MOHCD may reasonably request; (ii) at each income recertification, the ability of all households to pay required rent increases will be reassessed, as will the Borrower cash flow, to ensure short- and long-term financial sustainability if Borrower elects not to impose the required annual Rent increase for any Severely Rent Burdened Qualified Tenant; and (iii) all Regulatory Obligations continue to be met. Similarly, if the circumstances described in this subsection are met, a Unit becomes vacant and a Qualified Tenant demonstrates to Borrower that it is Severely Rent Burdened, Borrower may reduce such Qualified Tenant's Rent to a level no lower than 40% of that Qualified Tenant's gross monthly income, thus resulting in a higher Rent that will be required for the vacant Unit. If more than one Qualified Tenant is eligible for such a Rent reduction, the reduction shall be equally distributed among such eligible Qualified Tenants.

(c) Recovery of Project Expenses. With the City's prior written approval, Rent increases for Units exceeding the amounts permitted by this Section 4 may be permitted once annually in order to recover increases in approved Project Expenses, provided that: (i) in no event may annual Rent increases exceed the maximum annual increase stated in the SSP Guidelines unless such an increase is contemplated in a City-approved temporary relocation plan or is necessary due to the expiration of Section 8 or other rental subsidies; and (ii) Rents for each Unit may in no event exceed the lesser of (y) Maximum Rent, or (z) 20% below the market rents of comparable units as approved by MOHCD. The City's approval for such Rent increases under this subsection shall not be unreasonably withheld.

(d) Rent Subsidy Programs. Borrower shall accept rental assistance (such as Section 8, or any successor or similar rent subsidy programs) to the extent that Rent charged for the Unit complies with such program regulations and a Qualified Tenant who submits a voucher or other form of rental assistance has been selected through the marketing process described in the Loan Agreement and is otherwise qualified for the Unit.

For those households that hold rent subsidy vouchers, such as Section 8, on an annual basis Borrower shall request and use best efforts to receive an increase in contract rent equivalent to the percentage change in Fair Market Rent or equivalent payment standard, whichever is greater. For any Qualified Tenant participating in a rent or operating subsidy program where the rent charged is calculated as a percentage of household income, adjustments to Rent charged may be made according to the rules of the relevant subsidy program, and provided the Qualified Tenant paid portion of Rent does not exceed the lesser of (i) Maximum Rent or (ii) 20% below the market rents of comparable units as approved by MOHCD. For any Qualified Tenant that becomes ineligible to continue participating in a rent or operating subsidy program, rental increases shall not exceed Maximum Rent as approved by MOHCD or 50% of household income, whichever is less.

(e) Recovery of Property Tax Increases. In addition to the Rent increases contemplated in this Section 4 and with the City's prior written approval, if a Qualified Tenant's household income exceeds eighty percent (80%) of California Median Income (as published by the California Department of Housing and Community Development) during occupancy of a Unit or if a Qualified Tenant fails to certify or recertify his/her/their household income to Borrower on an annual basis, Borrower may adjust the charges for Rent for such Qualified Tenant by no more than seven percent (7%) per year to absorb the amount of property taxes attributable to the Qualified Tenant's Unit as a result of the loss of the State of California's welfare exemption for low-income housing properties. The City may, in its sole discretion, require that Rent increases allowed under this subsection be implemented over a period of time in order to reduce the burden on an existing Qualified Tenant. Rents charged under this subsection may not exceed the limits set forth in the SSP Guidelines as amended from time to time, or if not otherwise specified, the lesser of: (i) Maximum Rent; or (ii) 20% of a household's gross income. MOHCD must approve such Rent increases, which approval shall not be unreasonably withheld. If such Qualified Tenant's household income subsequently decreases and the Unit becomes eligible for the California welfare property tax exemption, Borrower may reduce such Qualified Tenant's Rent by the amount of property tax savings attributable to the Qualified Tenant's Unit.

(f) Excess Rent. If Borrower increases Rents or offers a vacant Unit for rent at a rate that exceeds the rules described in this Declaration, the resulting excess cash flow will be paid by Borrower to the Qualified Tenants who were overcharged, and Borrower's actions will constitute an Event of Default pursuant to Section 19 of the Agreement.

5. Certification.

(a) As a condition to initial occupancy, each person who desires to be a Qualified Tenant in the Project must sign and deliver to Borrower a certification in the then-current MOHCD-approved form (see current form attached to the Agreement as Exhibit C), in which the prospective Qualified Tenant certifies that their household qualifies as a Qualified Tenant, and which certification is reviewed and approved by Borrower and the City. In addition, each person must provide any other information, documents or certifications deemed necessary by the City to substantiate the prospective tenant's income. Certifications provided to and accepted by the San Francisco Housing Authority will satisfy this requirement.

(b) Each Qualified Tenant in the Project must recertify its household income to Borrower as established by the SSP Guidelines and Small Sites Marketing and Leasing Manual, as amended from time to time.

(c) Income certifications with respect to each Qualified Tenant who resides in a Unit or resided therein during the immediately preceding calendar year must be maintained on file by Borrower, and Borrower must provide records thereof with the City promptly upon request by the City.

6. Nondiscrimination. Borrower agrees not to discriminate against or permit discrimination against any person or group of persons because of race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability, gender identity, height, weight, source of income or acquired immune deficiency syndrome (AIDS) or AIDS related condition (ARC) in the operation and use of the Project except to the extent permitted by law or required by any other funding source for the Project. Borrower agrees not to discriminate against or permit discrimination against Qualified Tenants using Section 8 certificates or vouchers or assistance through other rental subsidy programs.

7. Remedies. During the Compliance Term the City may rely on this Declaration, the Deed of Trust and/or the Loan Agreement, in the City's discretion, to enforce any of the City's rights under the City Documents.

8. Covenants Run with the Land. This Declaration and the Regulatory Obligations constitute covenants running with the land and bind successors and assigns of Borrower and any non-borrower owner of the Property. In the event that Borrower fails to comply with the Regulatory Obligations to the City's satisfaction, in its sole discretion, within thirty (30) days of Borrower's receipt of notice from the City to so comply, the City at its option may exercise any rights available at equity or in law, including, without limitation, institute an action for specific performance. Borrower shall pay the City's costs in connection with the City's enforcement of the terms of this Declaration, including, without limitation, the City's attorneys' fees and costs.

Borrower has executed this Declaration as of the date first written above.

BORROWER

1155 Ellis GP LLC,
a California limited liability company

By: Turk Street, Inc.,
a California nonprofit public benefit corporation
its sole member and manager

By: _____
Jennifer Dolin
Chief Executive Officer

[ALL SIGNATURES MUST BE NOTARIZED]

INSERT NOTARY ACKNOWLEDGEMENT

EXHIBIT A

Legal Description of the Property

The land referred to is situated in the County of San Francisco, City of San Francisco, State of California, and is described as follows:

A portion of Lot 7, In Block 735, according to Map entitled "Official Map of the Western Addition Redevelopment Project Area A-1, San Francisco, California", filed December 13, 1960, in Book "S" of Maps, at Pages 78 to 82, inclusive, in the Office of the County Recorder of the City and County of San Francisco, State of California, particularly described as follows:

Beginning at the Northeast corner of said Lot 7; running thence Westerly along the Northerly line of Lot 7 a distance of 466.875 feet; Thence at a right angle southerly 137.50 feet; Thence at a right angle Easterly 466.875 feet to the Easterly line of Lot 7; Thence at a right angle Northerly along said Easterly line of Lot 7, a distance of 137.50 feet to the point of beginning.

Assessor's Lot 031; Block 0735

Street Address:
1135, 1155 and 1175 Ellis Street
San Francisco, CA 94109

SMALL SITES & PASS PERMANENT FINANCING

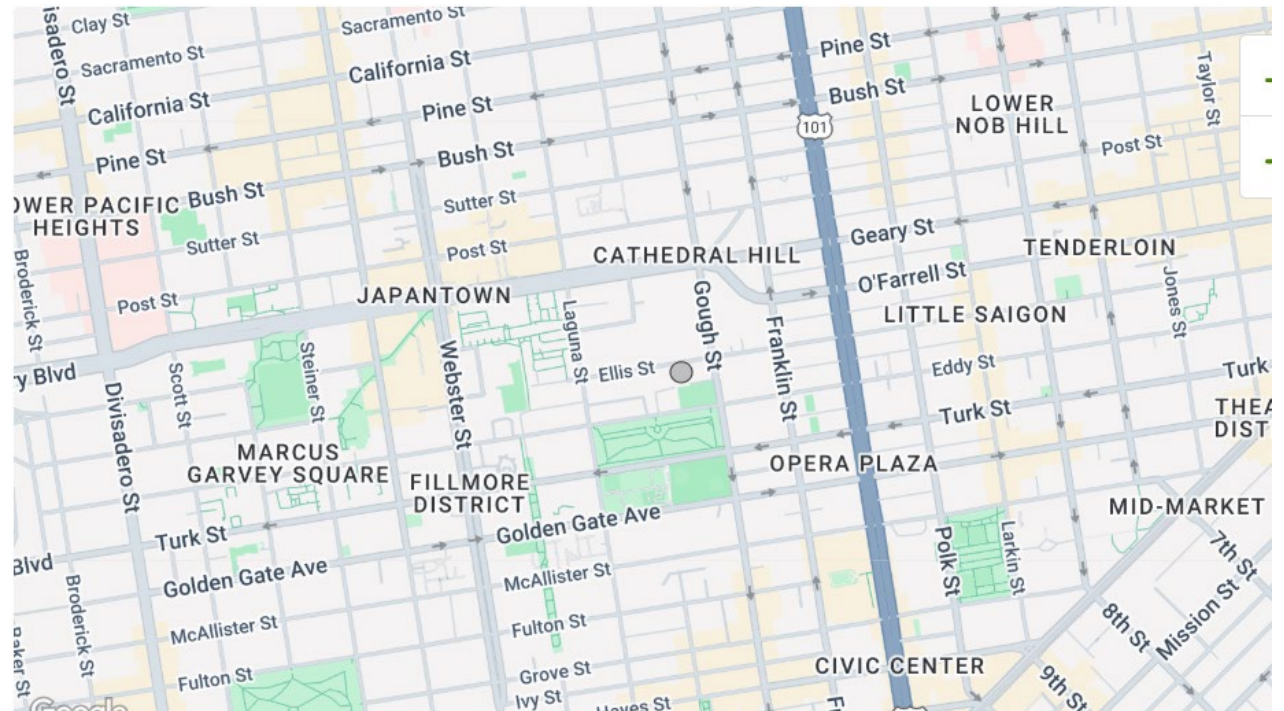
NORMANDY APARTMENTS 1135, 1155 & 1175 ELLIS STREET 108 UNITS OF PERMANENT AFFORDABLE HOUSING

FILE 250142
BUDGET AND FINANCE COMMITTEE
FEBRUARY 26, 2025

ALEA GAGE
PRESERVATION PROGRAM MANAGER
MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT

PROJECT DETAILS

- Project Overview
 - Ellis @ Gough in Western Addition (District 2)
 - 108 units (including one manager's unit)
 - 120 parking spaces (primary commercial use)
- Acquisition, Rehabilitation & Permanent Financing
 - Repayment of \$35.8M Acquisition Bridge Loan the Housing Accelerator Fund
 - Additional Rehabilitation & Permanent Financing
 - \$9.9M rehabilitation (hard costs)
 - \$2.3M soft costs
 - \$2.0M reserves
 - \$1.2M developer fee



BUILDING DETAILS

Overview

- Built in 1968 under the former Redevelopment Agency
- 78 studios / 30 one-bedrooms
- Vacant commercial suites will be community rooms
- 16 vacancies currently to be used for on-site relocation

Rehabilitation Scope

- Extension of fire sprinkler system into residential units and common spaces
- Electric panel upgrades and new wiring
- Asbestos abatement
- Removal of wood burning fireplaces
- Potential plumbing/sewer system upgrades
- Waterproofing and water intrusion repairs
- Improved accessibility, including modifying 14 units and common areas

Timeline

- January 2025: Acquisition
- June 2025 – June 2026: Rehabilitation (includes on-site and off-site relocation of existing residents)
- December 2026: Project Stabilization (full occupancy)



PROJECT OBJECTIVES

- Address life safety and accessibility needs
- Energy upgrades (100% renewable energy through CleanPowerSF's Supergreen Program)
- Preserve affordability for all residential units for 99 years at an average of 80% AMI
- Fund replacement and operating reserves
- Add to the affordable housing stock in a high opportunity neighborhood
- Provide excellent value on a per unit basis



SUMMARY OF REQUEST

Total Loan Amount: \$50,600,000

- \$28.8m Small Sites Loan (Soft debt)
 - 40 year term @ 3% simple interest
 - \$266k per unit of City subsidy (significantly under SSP limits)
- \$21.8 PASS (Hard debt)
 - 40 year term, \$1.6m @ 3.6% interest / \$20.3m @ 2.7% interest
 - \$202k per unit of PASS





ALEA GAGE

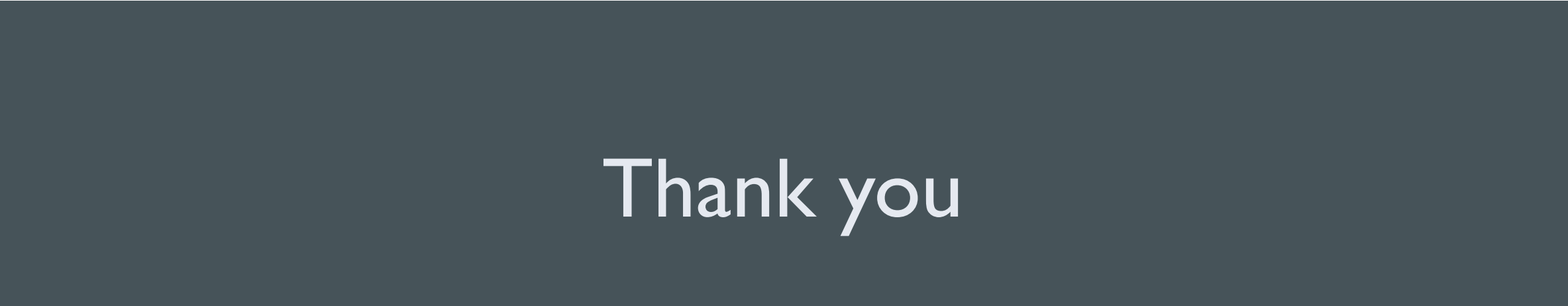
PRESERVATION PROGRAM MANAGER

ALEA.GAGE@SFGOV.ORG

SHEILA NICKOLOPOULOS

DIRECTOR OF POLICY & LEGISLATIVE AFFAIRS

SHEILA.NICKOLOPOULOS@SFGOV.ORG



Thank you



GENERAL PLAN REFERRAL

January 27, 2025

Case No.: 2024-009705GPR
Address: 1135-1175 Ellis Street
Block/Lot Nos.: 0735/031
Project Sponsor: Mayor's Office of Housing & Community Development (MOHCD)
Applicant: Isaac Cruz
Tenderloin Neighborhood Development Corporation (TNDC)
(415) 361-4405
icruz@tndc.org
201 Eddy Street
San Francisco, CA 94102
Staff Contact: Malena Leon-Farrera – (628) 652-7474
malena.leon-farrera@sfgov.org

Recommended By: 
Joshua Switzky, Deputy Director of Citywide Policy for
Rich Hillis, Director of Planning

Finding: The project, on balance, is **in conformity** with the General Plan.

Please note that a General Plan Referral is a determination regarding the project's consistency with the Eight Priority Policies of Planning Code Section 101.1 and conformity with the Objectives and Policies of the General Plan. This General Plan Referral is not a permit to commence any work or change occupancy. Permits from appropriate Departments must be secured before work is started or occupancy is changed.

Project Description

The Project would provide financing for the purchase and rehabilitation of the Normandy Apartments, an existing residential building, for permanent affordable housing.

The Normandy Apartments, located in Board of Supervisors District 2, is a three-story building with 78 studio units and 30 one-bedroom units. The Project will be targeting rents at or below 80% AMI. The building is in fair condition and the planned rehabilitation will address crucial upgrades related to fire and life safety, building codes, and the removal of hazardous materials. District 2, known for including some of the highest-resourced

areas in the city, has historically seen limited development of affordable housing and features some of the least affordable options. By preserving this building, the project will provide new, permanently affordable units, prevent the displacement of current residents, and create new opportunities for diverse households, including BIPOC families, to reside near the district's exceptional amenities.

MOHCD will provide permanent financing for the building acquisition and rehabilitation to TNDC through MOHCD preservation and PASS financing.

Environmental Review

The project was determined to be categorically exempt under CEQA Guidelines Section 15301 on 12/26/2024 (Planning Case No. 2024-009705PRJ).

General Plan Compliance and Basis for Recommendation

As described below, the proposed Project is consistent with the Eight Priority Policies of Planning Code Section 101.1 and is, on balance, in conformity with the General Plan.

Note: General Plan Objectives are shown in **BOLD UPPER CASE** font; Policies are in **Bold** font; staff comments are in *italic* font.

HOUSING ELEMENT

OBJECTIVE 1.A

ENSURE HOUSING STABILITY AND HEALTHY HOMES.

Policy 3

Acquire and rehabilitate privately-owned housing as permanently affordable to better serve residents and areas vulnerable to displacement with unmet affordable housing needs.

Policy 39

Support the repair and rehabilitation of housing to ensure life safety, health, and well-being of residents, especially in Environmental Justice Communities, and to support sustainable building practices.

OBJECTIVE 3.B

CREATE A SENSE OF BELONGING FOR ALL COMMUNITIES OF COLOR WITHIN WELL-RESOURCED NEIGHBORHOODS THROUGH EXPANDED HOUSING CHOICE.

Policy 19

Enable low and moderate-income households, particularly American Indian, Black, and other people of color, to live and prosper in Well-resourced Neighborhoods by increasing the number of permanently affordable housing units in those neighborhoods.

The Project site is in close proximity to the City's Well-resourced Neighborhoods. The Project would acquire and rehabilitate privately-owned housing as permanently affordable to current residents and future tenants including American Indian, Black, and other people of color.

Planning Code Section 101 Findings

Planning Code Section 101.1 establishes Eight Priority Policies and requires review of discretionary approvals and permits for consistency with said policies. The Project is found to be consistent with the Eight Priority Policies as set forth in Planning Code Section 101.1 for the following reasons:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The Project would have no effect on existing neighborhood-serving retail uses and future opportunities for resident employment in and ownership of such businesses.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The Project would conserve and protect an existing housing development and would preserve neighborhood diversity by providing affordable housing.

3. That the City's supply of affordable housing be preserved and enhanced;

The Project would help preserve and enhance the City's supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The Project would have no effect on commuter traffic, MUNI transit service, streets, or neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The Project would have no effect on the City's industrial or service sectors or on future opportunities for resident employment or ownership in these sectors.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The Project would rehabilitate existing housing and would thus enhance the City's preparedness to protect against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The Project would have no effect on landmarks and historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The Project would have no effect on the City’s parks and open space and their access to sunlight and vistas.

Finding:	The Project, on balance, is in conformity with the General Plan.
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San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 250142

Bid/RFP #:

Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION

TYPE OF FILING	DATE OF ORIGINAL FILING (for amendment only)
Original	
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD

OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER
Board of Supervisors	Members

3. FILER'S CONTACT

NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	EMAIL
Office of the Clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT

NAME OF DEPARTMENTAL CONTACT	DEPARTMENT CONTACT TELEPHONE NUMBER
Alea Gage	628.652.5940
FULL DEPARTMENT NAME	DEPARTMENT CONTACT EMAIL
MYR Mayor's Office of Housing & Cmty Devt	alea.gage@sfgov.org

5. CONTRACTOR	
NAME OF CONTRACTOR 1155 Ellis GP LLC	TELEPHONE NUMBER 415.361.4405
STREET ADDRESS (including City, State and Zip Code) 201 Eddy Street, San Francisco, CA 94102	EMAIL icruz@tndc.org

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER	FILE NUMBER (If applicable) 250142
DESCRIPTION OF AMOUNT OF CONTRACT \$50,600,000		
NATURE OF THE CONTRACT (Please describe) Small Sites Program permanent loan financing the acquisition, rehabilitation and preservation of the existing 108-unit multi-family residential building for low- to moderate-income households as permanently affordable housing at 1135, 1155 and 1175 Ellis Street.		

7. COMMENTS
Turk Street, INC. is an affiliate of Tenderloin Neighborhood Development Center. Turk Street, INC. is the sole member of 1155 Ellis GP LLC.

8. CONTRACT APPROVAL	
This contract was approved by:	
☐	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
☒	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
☐	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Dolin	Jennifer	CEO
2	Lamont	Katherine	COO
3	Huey	Roxanne	CFO
4	Johnson	Susan	Board of Directors
5	Pujals	Fernando	Board of Directors
6	Edwards	Tracey	Board of Directors
7	Bohee	Tiffany	Board of Directors
8	Kim	Kenneth	Board of Directors
9	Kroot	Dave	Board of Directors
10	Graf	Jane	Board of Directors
11	Cervantes	Jim	Board of Directors
12	Cloutier	Mark	Board of Directors
13	Rock	Kathy	Board of Directors
14	Skurdenis	Birute	Board of Directors
15	Liu	wylie	Board of Directors
16	wolfe	Kathy	Board of Directors
17	Martin	Freddy	Board of Directors
18	Vuong	Michael	Board of Directors
19	Leung	Gordon	Other Principal Officer

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
20	Sharpe	Amory	Other Principal officer
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#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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☐ Check this box if you need to include additional names. Please submit a separate form with complete information. Select "Supplemental" for filing type.

10. VERIFICATION

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK

DATE SIGNED

BOS Clerk of the Board

TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Adam Thongsavat, Liaison to the Board of Supervisors
RE: [Loan Agreement – 1135, 1155 and 1175 Ellis Street – Normandy Ellis, LP - Small Sites Program -
Up to \$50,600,000]
DATE: February 11, 2025

Resolution approving and authorizing the Director of the Mayor's Office of Housing and Community Development ("MOHCD") to execute loan documents for the permanent financing of 1135, 1155 and 1175 Ellis Street pursuant to the Small Sites Program and the Preservation and Seismic Safety Program, for a total loan amount not to exceed \$50,600,000; confirming the Planning Department's determination under the California Environmental Quality Act; finding that the loan is consistent with the General Plan and the eight priority policies of Planning Code, Section 101.1; and authorizing the Director of MOHCD or their designee to make certain modifications to the loan documents, and take certain actions in furtherance of this Resolution.

Should you have any questions, please contact Adam Thongsavat at adam.thongsavat@sfgov.org